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# China Report

RED FLAG

No. 16, 16 August 1984

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CHINA REPORT  
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No. 16, 16 August 1984

Translation of the semimonthly theoretical journal of the Central Committee of the Communist Party of China published in Beijing.

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## DEVELOP PHYSICAL CULTURE TO INVIGORATE CHINA

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 2-5

[Article by Xu Cai [1776 2088]]

[Text] An imposing, vigorous, healthy image pervaded the 23d Olympic Games, attracting attention the world over. This was the image of the Chinese Olympic team, full of the spirit of "winning glory for the socialist motherland and making contributions to the four modernizations." Through the athletes, the world's public could see how China had become vigorous and prosperous and was making great leaps and bounds toward more progress. They could see how daring and energetic, and intent on winning, were the sons and daughters of the PRC.

The activities at the Los Angeles Olympics drew the attention of the Chinese people like a magnet. A billion hearts flew over the seas to be with the Olympic team. The valiant efforts on the part of the athletes inspired a billion people. During this exciting 2 weeks, an atmosphere of excitement flooded the country, inspiring further the people's strong spirit of contributing to the invigoration of China.

The Chinese people witnessed the Chinese athletes going out to the world with a feeling of inspiration and vigor. This was an image of boundless energy, courage, and united struggle. Five years ago our athletes shouted the slogan: "Break out of Asia and face the world." Three years later, at the Ninth Asian Games, China won its first gold medal and was praised as one of Asia's strong sporting nations. Five years later, the first team to participate in the Olympics achieved Comrade Zhou Enlai's last wish: "Don't make a sound until you can shake the world." Witness how, on the first day of the Olympic Games, shooting team member Xu Haifeng broke through China's 52-year "zero" score and won the first gold medal of the games, achieving an historic breakthrough. Witness also how our athletes, with the spirit of "breaking through the zero," threw themselves into fight after fight, never giving up. The team won 14 gold medals, 6 silvers, and 6 bronzes. Looking at the amazing achievements of our Olympic team and the lofty spirit they displayed at the games, we can see that physical education is burgeoning, China is rising, and the sons and daughters of the yellow race cannot but shout "long live the motherland!" How can our compatriots in Taiwan and overseas not share in congratulating us and be proud to be Chinese!

Looking back to 52 years ago, old China first took part in the Olympics, which also took place in Los Angeles. At that time China sent only one athlete, and the whole "delegation," including the coach, consisted of only two people. There are no repetitions in history, but there are often coincidences. Over half a century later, new China's first team took part in the games for the first time, and again went to Los Angeles. This time the team consisted of 225 members, with a total of 350 delegates. Figures alone don't tell the whole story, but the fact that a country of China's magnitude sent only one athlete showed the weakness of old China, subjecting it to the contempt of foreigners. That sole athlete, Liu Changchun, sailed over the Pacific waves for 25 days, and was taken to a hotel as soon as he arrived. A journalist recorded that Liu, who spoke no English, raised both his hands and clapped. The next day the papers printed a photograph of Liu in an attitude of surrender, and wrote contemptuously: "The only representative of 450 million Chinese people--Liu Changchun. Let's see how the little Chinaman runs tomorrow!" This contempt was heaped upon Chinese athletes for the next 52 years. This time, however, the Chinese team entered the Olympic arena full of health and vigor, to the thunderous applause of the crowds. The contempt and humiliation suffered by the Chinese at the Olympics had become a thing of the past, and the insulting names of the "sick man of Asia" and "little Chinamen" had been cast to the bottom of the Pacific.

Everyone knows that throughout the history of old China's participation in world sports events, China never once gained a medal, never once led the world, never once broke a world record, and always recorded a "zero" in the records. Clearly this was the epitome of old China's poverty and weakness. Post-liberation new China, under the leadership of the CPC, has fully exploited the advantages of the socialist system, and consequently physical education has seen massive progress. In today's China, nearly 300 million people participate frequently in physical education, 57 sports are officially pursued, and there has been a great rise in the technical standard of sports. By the middle of this year, our athletes had broken 274 world records and won first place in 124 world competitions. Especially since the 3d Plenary Session of the 11th CPC Central Committee, through putting chaos to rights and opening our minds, physical education has seen new developments. At present, technical standards in one-third of our sports are near to or have reached world standards. That China is stepping into the world was again displayed at the last Olympic Games. After over half a century and the unrelenting struggles of several generations, the five-pointed red star again fluttered over the Olympic stadium, while our magnificent national anthem inspired the Los Angeles spectators. Right from the early days after the founding of the country, Comrade Mao Zedong said: "China is a country of 9.6 million square kilometers and 600 million people. It should therefore make relatively great contributions to mankind. These contributions have been too small for too long." Indeed, the Chinese people, with their 5,000 years of culture, have made massive contributions to mankind, but these contributions have been too few in the recent period. Today, however, since the birth of new China, we can and should make greater contributions to mankind, and the performance of our athletes at the Los Angeles Olympics provided repeated proof of this.

As a social phenomenon and cultural aspect, physical education has always served the existence, development, and enjoyment of mankind. In the present era, physical education is becoming a more and more indispensable part of human life. In China, physical education is an important component part of socialist spiritual civilization. It can not only strengthen people's bodies, but can also play an active role in invigorating their spirits and in the great struggle to invigorate China itself. Looking back over the history of the development of physical education in China, in my opinion there are two questions worth discussing.

The first is that the rise of a nation leads to a rise in its physical education.

Modern Chinese history tells us that the rise of a nation is the decisive factor in the development of its physical education. Following the Opium Wars, China gradually turned into a semicolonial and colonial country, causing poverty, economic stagnation, and apathy among the people. Under these conditions, how could physical education possibly be developed? During the 28 years of nationalist rule, China's physical education was in a dreadful state. Even more infuriating was that when China participated in the 1932 Olympics, the KMT government did not even pay the team's travel expenses, and in the end it was General Zhang Xueliang who donated 8,000 silver dollars. China's participation in the 1936 Berlin Olympics was managed only through contributions. In 1948, when the Chinese team took part in the London Olympics, they had no money left to make the journey home and had to rely on selling corn and soliciting contributions from Chinese people for their return fare. Meanwhile, sports events within the country were even more rare. The Seventh National Games held in Shanghai in 1948 were attended by only six athletes from the then Beijing, fights were frequent, and naturally there were no great achievements. Before the 4 May Movement, all of the bigger competitions were controlled by foreigners, who not only acted as chairmen and judges, but even used English as the official language. The Sixth Far Eastern Games held in Tokyo and participated in by China saw a foreigner leading the Chinese delegation. When this foreign "representative" of the Chinese people made a speech, public sentiment ran high, and the Chinese people suffered great humiliation. The history of physical education in old China was a history of suffering and humiliation.

In the 35 years since liberation, China's mass sports and athletics have seen lively developments, and we now have several times more sports facilities and stadia than in old China. There are now over 410,000 sports stadia throughout the country. Taking Beijing as an example, before the liberation there was only one sports stadium with a crowd capacity of 16,000. Now we not only have the Workers' Sports Stadium, which holds 80,000 people, but have built medium and large Beijing stadia, including the Capital Sports Stadium. In order to be able to host the 1990 Asian Games, the state is now planning to build a modern, large sports center in Beijing. Sports education over the last 35 years has also seen speedy development, with three sports academies training tens of thousands of people. Over the last few years we have also established 26 sports science institutes,

researching sports science. The history of physical education in new China has been one of proud struggle and national regeneration.

Another point is that sports inspire patriotism.

Sports are a window on spiritual civilization. Looking at the vicissitudes of cultural history, we can see that civilization gives birth to sports and sports promote civilization. The original Olympics started over 1,100 years ago, in 776 B.C. They were not only the fruits of Greek civilization, but soon became the common wealth of human civilization. The modern-day Olympics were first held in Athens in 1896 after proposals by the French physical educationalist Gubardin. As it developed, the Olympic movement turned into an international one, bringing enjoyment to people all over the world. Today the Olympic torch shines for all peace-loving people. The Olympic Games are a symbol of modern civilization. They promote understanding and friendship between peoples of the world. As early as 1952, new China took part in the 15th Olympiad in Helsinki, Finland. Later, due to the premeditated creation by somebody of the "two China's," new China was forced to withdraw from the International Olympic Committee [IOC]. Following a struggle by the Chinese people and the hard work of the IOC and friendly nations, China was finally granted its rightful seat on the IOC once again. From then on, China really ascended to the international sports stage, transmitting the spirit of the Olympics with the other peoples and athletes of the world, helping to develop the Olympic movement, and, under the flag of international peace and friendship, working together for the world sports movement and the development of human civilization.

At the same time, sports are an important means of carrying out education in patriotism. There are many examples in history of sports being used in this way. When Napoleon's troops swept across Europe in the early 19th century, the physical educationalists Jenscher from Germany and Lins from Sweden established German and Swiss gymnastics to build up their people's physique and fighting spirit, so as to be able to drive out Napoleon. During the Meiji restoration in Japan, knowledgeable people actively introduced modern sports, serving the new restoration of the capitalist classes. Around the time of the 1911 revolution in China, Sun Zhongshan, Huang Xing, Tao Chengzhang, and Qiu Rui were all aware of the necessity for sports in building up the country, and all actively encouraged sports. During the period of the 4 May Movement, developing physical education became a part of the new culture movement. In particular, with the spread of Marxism in China, progressive elements used a scientific approach to research and encourage sports. Comrades Mao Zedong, Vun Daiying, and Zhou Enlai were outstanding examples of these progressives. In April 1917, Comrade Mao Zedong published the famous "Research Into Physical Education," and in June, Comrade Vun Daiying published his famous work "Research Into School Physical Education." During the Nankai school days, Comrade Zhou Enlai resolved to struggle "for the revival of China," and wrote many articles on the subject of sports. Lu Xun and other progressives also realized the important role of physical education in strengthening the people's physique and avoiding national crisis, and proposed the three

aspects of morals, wisdom, and physical strength to oppose the feudal dogmas and "purely Chinese education." In the great process of China's invigoration today, the fine achievements made by our athletes represent even more a strong spiritual force to inspire the people's spirits and invigorate our great motherland. Competition in sports is fierce, and with competition there is the possibility of success or failure, which tempers the athletes and inspires them to go all out for victory. This fighting spirit shown by the athletes has a strong effect on the millions of spectators, and victory and defeat moves them greatly. In 1980, the victories of China's athletes inspired Beijing University students to a strong show of patriotism. They shouted the slogan: "Unite and invigorate China," and received a massive response from all the people. Just as they were preparing to praise the subject, the people were watching on television the victory of the women's volleyball team. They poured out to the streets and set off firecrackers in celebration. This was a massive surge of patriotism, which encouraged people to scale the heights of science and culture with the same fighting spirit shown by the athletes and to fight for the invigoration of China and the socialist four modernizations.

Of course, when we congratulate our country on rising up and facing the world, we cannot forget that in comparison to the great sporting nations of the world we are a long way behind in many areas and still have a lot of hard work to do. We must work hard at reforming, forge a path ahead, and, at the same time, work hard to study and draw on good experiences from abroad, so as to promote even greater development in China's physical education cause. In the last 35 years of struggle, our athletes have accumulated rich spiritual treasures, one of which was the "starting from scratch" of the table tennis team. The achievements of our athletes and physical education workers are now in the past, and new tasks fall on their shoulders. In order that China can become one of the strongest sporting nations in the world by the end of the century, we must again start from scratch, and with the spirit of "breaking through zero," continue to fight for progress, further creating a new situation in physical education work and making even more glorious efforts for the invigoration of China!

CSO: 4004/88

## CADRES NEWLY ELECTED TO LEADING BODIES MUST VIGOROUSLY CARRY OUT REFORMS

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 6-8

[Article by Zhu Yan [2612 1484]]

[Text] Carrying Out Reforms Vigorously Is the Historical Mission of the New Cadres Assigned by the Times

After the structural reform, newly elected middle-aged and young cadres now constitute about one-half of the total number of cadres in the leading bodies at the provincial, prefectural, and county levels. These newly elected cadres shoulder the heavy responsibility of taking over from their predecessors and setting a new course for the future. In order to carry forward the good style of the forerunners and the revolutionary cause created by them, it is necessary for the new cadres to carry out vigorous reform in the building of the new leading bodies and in the work of leadership, and to boldly explore new paths in the building of the socialist civilization. Comrade Hu Yaobang once pointed out: "The young comrades should regard surpassing their predecessors as a great duty assigned by history." The newly elected cadres should bear in mind this duty and carry out bold reforms and creations, so as to live up to the expectations of the party and the people; and only in this way can the achievements of the structural reform show their practical and profound significance continuously.

Confronted with such a vigorous challenge, what is the actual performance of these new cadres after all? According to the views of some localities, it may be roughly classified into three kinds: 1) Emancipate the mind, display a bold and vigorous work style, and dare to carry out explorations and creations. Such comrades have emerged on various fronts, and their role has increasingly attracted the attention of people. 2) Possess the desire and potential to conduct reforms and break new ground, but make only very little progress in face of numerous difficulties and obstacles. Some comrades have somewhat lost their confidence after they have experienced certain setbacks. 3) Timorous and punctilious, and do everything according to conventions and without vigor. Although the number of these people is not very large, the phenomenon is by no means individual. Judging from the present situation, with regard to the newly elected leading cadres, the main problem is that they have not been vigorously engaged in their

work, and their role has not been brought into full play. If this situation is not rapidly changed, certain vitality exhibited in the new leading bodies may gradually wane. It is worthwhile paying attention to this.

The new cadres have stepped into their leading posts in a new period in the development of the history of our country. In this period, our party has to accomplish two great construction projects, that is, speeding up the realization of the socialist modernization, and, with this objective in mind, realizing the revolutionization, a younger average age, better education, and more professional competence for the leading bodies and the ranks of cadres. In order to accomplish these two creative projects unprecedented in the history of our country, it is necessary to reform various kinds of management systems, methods of leadership, and work style which are out of keeping with the above requirements, and to open up a socialist road with Chinese characteristics. This demands that the leaders of the new generation who are entrusted with the heavy responsibility of organization and leadership should possess a far-sighted view and a new style of reform and creation, proceed from the realities of our country, dare to face the challenge of the world's new technological revolution, and do a good job in reforming various aspects of the leading work. For example, efforts may be exerted to effectively combine professional knowledge with the enhancement of the level of leadership, to promote the trends of conducting studies and researches among members of the leading bodies, and speed up the process of achieving scientific decisionmaking and the modernization of the management work; place the guiding ideology in the business of local departments on the track of adhering to the party's general line and general objective, and reform those aspects of the economic system and organization and personnel system which do not meet the requirements in the modernization of the socialist cause; strive to adapt to the basic trends and characteristics in the development of modern society, explore new ways of developing the work of ideological education, and facilitate the leading members and their colleagues in establishing a comradely relationship with frankness, consideration, and mutual trust; and activate the leading bodies to overcome various kinds of bureaucracy and unhealthy practice, make a resolve to shake off all the outdated conventional rules and customs and the stereotyped modes of leadership, do a solid job in investigations and studies, promptly and resolutely solve the problems that may crop up, and so on and so forth.

As a matter of fact, in terms of reform and breaking new ground, the cadres newly elected to the leading bodies have many strong points. They are quite sensitive to fresh things, have a broader vision and an active mind, and are full of energy and a practical spirit. In particular, a large batch of outstanding middle-aged intellectuals of around 40 to 50 years of age not only have comparatively high theoretical level and cultural and professional knowledge, but are also comparatively mature politically with relatively firm faith in communism and a strong enterprising spirit. The majority of them have gone through tempering in practice and have more regard for reality and a fervent desire for reform. As they are new members of the leading bodies, they are comparatively less fettered by conventional trivialities. All of these are beneficial to

their efforts and reforms in various aspects of the leading work. So long as they can give active play to their own strong points and dare to explore new ways and the unbeaten track, it is certain that they can record their own exploits in the opening up of a new situation.

#### Persistently Maintaining the Dashing and Unflinching Spirit of Pressing Forward in Face of Difficulties

In order to carry out reforms with a will, it is necessary for the new cadres to overcome various kinds of difficulties in the course of reform with a daring and unselfish spirit and with unremitting tenacity. It should be admitted that under the condition that the party style has not been radically improved and that certain systems have still not been perfected the efforts in conducting reform will encounter numerous contradictions and obstacles. Often enough, these contradictions and obstacles come from those comrades who are working together with the new leading members and from the old conventional forces of society, which further adds to the complexity of the reform. The inveterate "mountains of documents and seas of meetings" and the frequent but not absolutely necessary welcoming and speeding the parting of guests have already prevented some new cadres from tackling major issues. And the complicated personnel relations with "nets of relationship," the variable comments and judgments, and the irony and satire which are often tinged with envy of other's talents and competence have all the more made some of these comrades feel vexed and perplexed. However, it is precisely because of all this that it is more essential that the newly elected cadres possess a broader mind and a more profound insight, and have all the requisite valor and wisdom to overcome difficulties. In matters of principle concerning the reform, although good methods should be resorted to, we should by no means sidestep contradictions and give up principles; and discretion can only mean advance with practical steps. With regard to those outdated things, if you are not determined to reform them, they will incessantly interfere with your work and exert their influence on you. Therefore, the newly elected cadres, if they are determined to carry out reforms, should be brave and staunch, and should keep a sober mind constantly. The most important point in achieving this is to have a spirit of devotion and unselfishness. So long as a person is truly unselfish, straight, honest, and fair in dealing with matters and people, then all honest and upright persons, the elderly comrades in particular, will firmly assist and support him. As a matter of fact, all those people who are truly devoted to the cause of reform have been increasingly welcomed by the masses, and have received assistance and protection from the party organizations. As for some slanders and unwarranted criticisms by a small number of people, it is hard to eliminate all of them and it is unnecessary to take them to heart.

In face of the 1980's and the 1990's in which hundreds of things wait to be done, and in face of the reality of the rapid development of the world's new technological revolution, the cadres who are newly elected to the leading bodies must see clearly that reform and creation are a very urgent task, and the practical way of carrying out the task needs persistence and tenacity in addition to bravery. All those comrades who are resolute in

the reform must forge ahead persistently, paying attention to tempering themselves while maintaining their determination in reform. Many prominent figures in history gradually became smooth and evasive and sophisticated after several rounds of struggles in the swift currents, thinking that they had acquired the way of faring in life, which is absolutely not the example that a proletarian fighter should model himself after.

#### Be Strict in Analyzing Oneself and Cast Off All Kinds of Blindness

In order to give full play to one's role in reform, the newly elected cadres should be strict in analyzing themselves and cast off all kinds of blindness, so that their ideology, work, and style can meet the needs of their new posts and of the new situation. Although the majority of these new cadres have a comparatively high level of cultural and professional knowledge, many of them are still unfamiliar with the work of leadership and organization and with certain principles in the political life within the party, and they also lack basic theoretical training in Marxism. And the new leading posts demand of them not only competence and professionalism in their work, but also maturity and skills in dealing with politics and organization work and in tackling the overall situation with original ideas. The newly elected cadres should make a resolve to improve themselves in these aspects and make up their own deficiencies, so that their reform and creation can maintain a correct orientation and serious mistakes can be avoided. Some newly elected intellectual cadres, because they have been accustomed to doing their mental work in isolated surroundings, have adopted some working methods and customs which are unfavorable to maintaining close ties with the masses. Therefore, it is incumbent upon them to change their habits consciously, and to make contacts with the grassroots and the masses; and make friends with workers, peasants, and intellectuals, so as to bring into full play the initiative and creativity of all of them and to avoid contracting the unhealthy and bureaucratic practice of deviating from the masses. It is particularly worth noting that on the one hand, the change in status and power can enable the genuine people's servants to give fuller play to their wisdom and talents and accomplish things beneficial to the people; on the other hand, the change in status and power can make weak-minded people selfish and greedy, thereby embarking onto the evil path of utilizing the power in hand to seek private gains. This can be demonstrated by the fact that not long after the readjustment of the leading bodies, some individual comrades have already shown signs of arrogance and extravagance. Therefore, constantly enhancing the ideological level of Marxism-Leninism-Mao Zedong Thought, strengthening the cultivation and training of the ideology and understanding, and setting a high standard for oneself are the requisite conditions for the young cadres who are bent on carrying out reforms.

#### Strengthen the Cooperation Between the New and the Old Cadres With the Common Aim of Reform and Breaking New Ground

Actively carrying out reform in the leading work is the duty of all the members of the new leading bodies. If the newly elected cadres want to do something significant in this regard, it is natural that they should seek

the support and assistance of the old comrades. The old comrades should also give play to their role as mainstays in the leading bodies and render help with enthusiasm to the new cadres. With regard to the imparting of knowledge and experience, assistance, and guidance given to the new comrades, the old comrades should not feel satisfied with the mere imparting of experience, nor should they guide the new comrades to adapt to certain stereotyped forms and methods in work, but they should support the new comrades in exploring new ways and opening up a new situation. The party committees and the organization departments at all levels, especially the old comrades in the new leading bodies, should regard as of first importance the work of supporting the newly promoted cadres to develop their work boldly, so that a new path can be opened up in helping and guiding the new comrades to conduct reform and explore new paths. At present, the main problem is that some old comrades do not feel sure about the competence in work of the young cadres who are newly elected to the leading bodies, and, in particular, they do not give sufficient support to the efforts of the new cadres in reform or in selecting talented persons, and there is often excessive and inappropriate interference or criticism. Experience has time and again proved that excessive interference, or showing distrust at the sight of mistakes, or severely censuring mere slight blunders, or easily believing in slanders--all this can in no way breed talented persons. The young cadres who have assumed leading posts, even if they are of the best category, have to go through a process of growth, and the success of any reform also needs a process of gradual perfection. Therefore, objective analysis and evaluation must be conducted regarding their merits and mistakes, so as to differentiate their mistakes resulting from lack of training and experience from violation of discipline. With regard to those problems which occur in the course of progress, they should be regarded as experience and lessons, and enthusiastic assistance should be rendered in seeking the solution of these problems. As for the work arrangements for these new cadres, efforts should be made to give play to their strong points and to effect scientific division of labor, and their responsibilities should be increased gradually. Readjustments should be effected if assignments are not appropriate. With regard to those young cadres who are really capable and outstanding in reform, it is necessary to place them in the main leading posts without hesitation. So long as the new and the old cadres can cooperate sincerely for the common goal of reform and creation, a completely new situation will certainly emerge in the building of the socialist modernization and in the building of the leading bodies which have gone through a revolutionary transformation in structure.

CSO: 4004/88

## THOUGHTS ON THE 35TH ANNIVERSARY OF THE FOUNDING OF THE PRC

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 9-10, 8

[Article by Bing Xin [0393 1800]]

[Text] Out of the past 80 years of my life, it is only in the latter 35 years since the founding of new China that I have felt I am a proud and elated Chinese!

I was born in October 1900 on the 9.6 million square km territory of China bearing numerous bruises as the evidence of devastation by imperialists! It was in the same year that the Eight-Power Allied Forces intruded into Beijing and brought unprecedented catastrophe to the Chinese people. When I studied and traveled abroad, I often saw valuable Chinese cultural relics on display in museums or kept as private collection in imperialist countries.

I lived carefree on a foothill on the coast in Yantai, Shandong Province when I was an innocent little girl. When I grew up to be a sensible 8- or 9-year-old girl, my father, then the principal of the Institute of the Navy, talked to me one day when we were sitting on the beach, watching at the sunset glow. After a moment's silence, he suddenly began to talk, filled with indignation: "You may think the coast at Yantai is the most beautiful in China. I tell you, there are a great many beautiful harbors along the coast of our country, such as Weihaiwei, Dalian Bay, Qingdao, and many other places which are by no means inferior to Yantai. However, all these ports are not controlled by ourselves. Weihaiwei is occupied by the Englishmen, Dalian Bay by the Japanese, and Qingdao by the Germans. Why do we have to build our own navy school on this deserted and remote city of Yantai? We are forced to move here!"

Then, filled with grief and indignation, my father talked to me about his experience in the Sino-Japanese War of 1894-1895. He was then the second mate in charge of artillery on board the Weiyuan warship. On the first day of the war, a comrade-in-arms standing by him was hit on the abdomen by a shell. His abdomen was blasted out and his intestines spread on the smokestack. After the battle, my father tore his comrade-in-arms' burnt intestines off the smokestack and put them back into the dead man's abdomen. My father said: "This scene has remained fresh in my memory

ever since like something which has just happened today. We are bound to take revenge on the enemy for this! We have been bullied by the formidable alien enemy and have lost so many people, so much land, and so much money. After that battle, I served aboard a cruiser and often visited foreign countries. I have been to Japan, Britain, France, Italy... Wherever I was, I felt that we were discriminated against. What a poor people we Chinese are! Without rejuvenation, China is bound to be carved up by foreigners!"

The story my father told me on that beautiful dusk loomed large like a dark cloud over my immature and pure mind and pressed my childish heart like an enormous rock. Since then my innocent eyes suddenly began to notice many things which made me feel ashamed! Standing on the beach, I saw various warships and merchant ships with different foreign flags emerging from and disappearing on the horizontal line. In summer every year, a few U.S. warships used to come here on vacation, and there were drunken frolics and murders almost every day. And there were also many Japanese bars, shops, and whorehouses in the small city of Yantai. When I was 11 years old, my family traveled to Shanghai from Yantai by a merchant ship of the British Jardine Matheson Company. Many Europeans on board leaned on the parapet on the side of the ship and threw kernels from the first-class cabin into the passenger cabin, swollen with arrogance. Chinese passengers were not allowed to stay in the first-class cabin even if they could afford first-class tickets. When our ship entered the mouth of the Wangpu Jiang, I saw a lot of foreign merchant ships and warships lying at anchor in the river. On the pier, our compatriots, perspiring all over and whipped on by foreign foremen, were transporting the treasure that the imperialists plundered from China. There were concessions of various foreign countries in Shanghai; foreign firms, factories, banks and clubs could be seen everywhere in the street, and there was also a racecourse and a park on whose front door a signboard read "Chinese and dogs not allowed"! Many streets were named after purely foreign instead of Chinese personages, for example, Avenue Joffre, Moulmen Road, and so on. Almost all the car and rickshaw passengers were foreigners while all the car drivers and rickshaw boys were Chinese. Our family traveled to Tianjin via Shanghai 2 years later. What we saw in Tianjin was the same as in Shanghai--the city was divided into several concessions respectively controlled by different imperialist countries! In the foreign concessions, policemen treated Chinese worse than beasts of burden. From Tianjin we went to Beijing. Leaving the Beijing railway station, we had to pass through Dongjiaominxiang before reaching downtown Beijing. This was the most unique "embassy district" in the world! A field to the east of the embassy district, nowadays the Dongdan Park, was then the drill ground of the guard units of various embassies. It was on this field that foreign soldiers in different uniforms put on airs and drilled before Chinese people filled with grief and indignation. I was then 12 years old and had not yet gone abroad. But, as a Chinese, I felt humiliated everywhere on our own territory! Later on, in 1915, the Japanese militarist government proposed the 21-point demands to Yuan Shikai, who was then attempting to crown himself emperor. I was then a form one student. We, students of Beiman Middle School, marched in procession to the Central Park--nowadays the Zhongshan Park--to pay into the

patriots' donation. There were huge crowds of people around the Sheji Terrace in the park that day, the first time for me to witness such a solemn and moving spectacle. When I returned home, I saw my father hanging on the wall of his study a poster on which were printed a few words: "The 7 July Event," all characters being collected from hand-writing by Yue Fei. In front of this poster published to mark the national humiliation, my father and I held each other's hands, holding back our tears in deep indignation. After that, on 4 May 1919, in order to stop the Northern Warlords from selling out Qingdao to the Japanese imperialists, students in Beijing launched the grand and spectacular May Fourth Movement. Then came the "18 September Incident" of 1931 and the "7 July Incident" of 1937... Examples of oppression and humiliation suffered by the Chinese people in those days are too numerous to mention one by one. Every one of the several hundred millions of the Chinese people had his own grievances. A few years ago I wrote a poem entitled "Because We Are Still Young." The following is a section of the poem:

I had never felt young in my youth!  
At that time surrounding me were:  
Unbridled warfare waged by the imperialists, and  
A society where the evil feudalism ran amuck.  
Corpses littered every place and tears and blood were flowing like a river,  
There were more national humiliation days than festivals.  
And this was China when I was young!

This is a portrait of my depressed mood at that time. After my graduation from college, I furthered my studies in the United States. After my studies abroad, I returned to my country and taught for 10 years. Then I traveled abroad again. As a "student" or a "traveler" abroad, I never felt I was inferior to foreigners. However, as a "Chinese," I used to feel frustrated whenever I sat in first-class ship cabins or train compartments where a European or a Japanese who I had never met before might appear in front of me, made a bow, and asked me: "Which part of Japan do you come from, Madam?" On an occasion like this, I could do nothing but to answer him or her politely: "Sorry, I am a Chinese." Why could we Chinese not sit in first-class cabins and compartments in ease?

In order to liberate themselves from the oppression by imperialists, the Chinese people engaged in arduous struggle for several decades and finally found the correct path. Under the leadership of the CPC, hundreds of millions of people turned their grief and indignation which they had borne for more than a century into enormous strength. They resolutely overthrew the big mountains that had lain like a dead weight on their backs. What an earthshaking shock this was! And this message was transmitted to the people all over the world when our leader Chairman Mao Zedong announced at Tiananmen of Beijing 35 years ago: "The Chinese people have risen to their feet!"

"Without the CPC, there would be no new China." This is a conclusion filled with truth and wisdom which the Chinese people drew from their bitter experience of the struggle which they waged with blood and tears

for more than a century. We are convinced in the depth of our minds that only the party of the laboring people can steadfastly stand by the people, thoroughly remove once and for all the blood-sucking pipes which imperialists stuck into China, and completely cure all the wounds left by imperialists on our land!

China was liberated. As a Chinese from new China, I no longer felt inferior to others. I felt proud, but not arrogant. I knew that the "equal treatment that we receive from foreigners" was won by new China founded by the CPC. And now, a mild attitude has replaced my pride. I will strive vigorously and steadfastly for world peace and human progress together with the peoples of all nations who "treat us equally." Since I joined studies and work in the early 1950's, I have traveled abroad more than a dozen times in the capacity of writer and peace worker and as a mother. I have visited many countries which my father had visited before: Japan, Britain, France, Italy, and so on. I no longer feel inferior to the peoples in these countries! I will unite with the peace-loving peoples of all nations, including those peoples who have not yet been able to live proud, and struggle to the end to oppose hegemonism and safeguard world peace!

1 August 1984

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SAFEGUARDING THE RIGHTS AND INTERESTS OF THIRD WORLD COUNTRIES IS THE INTERNATIONAL DUTY OF OUR COUNTRY

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 11-14

[Article by Tang Hualiang [0781 5478 0081]]

[Text]

I

Since World War II, the Third World has suddenly appeared on the international political stage. This has become an important characteristic of our times. There are over 100 countries in the Third World, which account for three-fourths of the world's population, have vast territories and rich resources, and occupy important strategic positions. In the past, these countries suffered for a long time from the brutal enslavement and cruel exploitation of colonialists and imperialists, were at the mercy of and trampled at will by colonialists and imperialists, and had no say in international affairs. Now, this situation has been radically changed. Just as Lenin foresaw: "After the period of awakening of the East, in modern revolution, the time will come when the various Eastern nations will no longer merely be the tools for other people to become rich, but will take part in determining the destiny of the world. One after another, the Eastern nations will awaken and take actual actions to enable each nation to take part in deciding the issues related to the destiny of the human race." ("Selected Works of Lenin," Vol 4, p 103) The Third World has already become the forward position in fighting against imperialists, hegemonists, and colonialists and has become a powerful force in safeguarding world peace and promoting the progress of the human race. As an independent, active, and decisive political force, the Third World has been playing an increasingly important role in international affairs. Many major international issues cannot be solved, if the participation of the Third World countries is not allowed or if the will of these countries is overlooked.

China is a developing socialist country and is a member of the Third World. Strengthening its unity and cooperation with other Third World countries is the basic starting point for its diplomatic work.

Our country experienced the same suffering as other Third World countries in the past and is one of their friends who will go through thick and thin

together with them. In time of difficulties when the Chinese people and other peoples of the Third World were striving for their national liberation, they sympathize and support one another. In the process of the development of the Chinese revolution, the diverse forms of aid from the international revolutionary forces were indispensable and throughout the process, the Chinese people had support from the common struggle of all the oppressed people in the world. The victory of the Chinese people has broken the eastern frontline of the imperialists, was of great international significance and greatly encouraged the national liberation movement in Asia, Africa, and Latin America. Ever since its founding, new China has always shown deep sympathy with and vigorously supported the oppressed countries' and nations' struggle in obtaining and safeguarding their independence. The Third World countries and people who have obtained their independence have also conscientiously supported the just cause of the Chinese people and helped them to safeguard their rights and interests. The steadfast strife of the vast number of the Third World countries and other friendly countries were indispensable for our country in restoring its legitimate seat in the United Nations. There have been no unilateral granting of or receiving of aid. Comrade Mao Zedong time and again said: All the just struggles of the world's people support one another.

Today, our country continues to share a destiny with the Third World countries. We all face the tasks of developing our national economies and constructing our countries. At the same time, we all suffer from the threat of the hegemonism of superpowers and shoulder the heavy responsibility for safeguarding peace. In striving to obtain peace, we should mainly rely on the unity and struggle of the people of all countries. Faced with the hegemonist moves of the superpowers, the Third World countries and all other peace-loving countries are required to unite together to deal with the superpowers. In addition, the development of the economic construction of various countries also needs international support and cooperation. Society has already developed to such an extent today that all the things in the world have already become related to one another and it has become impossible for a country to do what it wants to do in isolation.

China's future is closely linked with the future of the world and we share weal and woe with Third World countries and peoples. We support them and they support us. China resolutely stands by the side of the Third World and always attaches importance to strengthening its unity and cooperation with the Third World. Recently, Premier Zhao Ziyang pointed out in his "Government Work Report" to the Second Session of the Sixth NPC: "At any time, we always regard as our international duty the safeguarding of the rights and interests of Third World countries, resolutely support their struggle in safeguarding their national independence and developing their national economy, strive to strengthen our cooperation with them and earnestly promote the unity among them." This is our basic principle.

## II

During the several decades after the war, international relations have changed fiercely. The old colonial system has already collapsed, but its

remnants are far from entirely eliminated. During the process of the development of history in the 1960's and 1970's most of the Asian, African, and Latin American countries have achieved their political independence, but because of the fierce scramble between the superpowers, there have been no guarantees for but even destruction of the independence and safety of quite a few Third World countries. The Soviet Union has sent its troops to invade and occupy Afghanistan and supported Vietnam in occupying and trampling on Kampuchea. The United States indulged Israel's wanton attack on Lebanon and directly sent troops to invade Grenada. The barbarous aggression of the superpowers has not only seriously encroached on the independence and sovereignty of these countries but also endangered world peace and security. The tasks of struggle for Asian, African, and Latin American people in fighting against imperialism, hegemonism, and colonialism are far from finished. In his report to the 12th CPC National Congress, Comrade Hu Yaobang clearly expressed the view that "China will resolutely carry on together with other countries in the Third World the struggle against imperialism, hegemonism, and colonialism and regard this struggle as its sacred international duty."

The total area of the Third World is so vast, the number of Third World countries is so large, and their historical conditions differ so widely that naturally there are differences in their social and political systems, level of economic development, characteristics of international status and position, and their implementation of domestic and foreign policies. Because of some historical reasons, there are still various kinds of disputes and even military clashes between certain Third World countries. Furthermore, the superpowers have been doing their best to sow discord among these countries and exploit their contradictions in order to fish in troubled waters. However, this complicated situation by no means constitutes any grounds for negating the identity of Third World countries in their basic interests. Fundamentally, they all oppose imperialism, hegemonism, and colonialism, are all unwilling to be again reduced to a position of being enslaved and dominated, and all hope that there will be peaceful international surroundings to enable them to pursue the development, prosperity, and progress of their own countries. Between imperialism and hegemonism as one party and the countries and peoples of the Third World as another party, there is an essential contradiction on which there is no room for compromise. We should support all the struggles of Third World countries no matter which imperialist and hegemonist country the struggle is directed against; as long as the struggle is aimed at opposing external aggression and intervention and safeguarding national independence and sovereignty. We oppose power politics and refrain from pursuing national egoism; therefore, we will never indulge or excessively accommodate ourselves to activities of aggression and intervention out of the consideration of our relations with the countries involved. This is an important manifestation of the implementation of our country's foreign policy of maintaining independence and keeping the initiative in our own hands.

As for what social system a Third World country chooses, that is up to the country and its people to decide. We will never interfere in the internal affairs of Third World countries. In accordance with their own conditions,

some countries maintain a relatively closer relation with this or that superpower or even accept aid from them. These are matters related to their sovereignty and we will not discriminate against them. We will fully respect other countries' rights in maintaining independence and keeping the initiative in their hands in the same manner as we treasure these rights of our own. We will never interfere with other countries' foreign policies which they choose in the light of their own reality. At the same time, we also believe that these countries and their people will continue to accumulate their experiences in dealing with superpowers on their own. We vigorously uphold strengthening the unity among Third World countries and will never get involved in their disputes. The problems between Third World countries should be solved by them on their own under the conditions of excluding external intervention. Of course, this does not mean that we will disregard the rights and wrongs in these matters. If a country bullies others on the strength of its powerful connections and commits hegemonic activities encroaching on other countries' territory, sovereignty, and independence, we will uphold justice and resolutely oppose it.

Comrade Mao Zedong repeatedly instructed us: "In its international contacts, the Chinese people should resolutely, thoroughly, and entirely eliminate great-nation chauvinism." "We should adopt an attitude of regarding all small countries as being equal to us and should not get cocky." We always hold that all countries, big or small, rich or poor, have their strong and weak points. We should be good at learning from other countries' strong points. Chinese people always despise the ideas and activities of detesting the poor and favoring the rich and bullying the weak and fearing the powerful. The various practices of great-nation chauvinism run diametrically against the principle of communism and the stand of fighting against imperialism and hegemonism. Toward the countries and peoples of the Third World, we adopt an attitude of treating them sincerely and equally without discrimination. We will always carry out education in internationalism and national equality among the masses of people and make them respect the countries and people of the Third World. Not only at present when our country's national strength is not very strong, when our country is not rich and is still economically relatively backward should we adopt this policy. Even in the future when our country's economy has become prosperous and when our country has become a powerful socialist country, we will continue to adopt similar principles.

### III

At present, the national liberation struggle of Third World countries has already entered a new historical stage and its major task has already been switched to safeguarding national independence, developing national economy, and consolidating political independence through striving to obtain economic independence. These countries want to break away from the fetters of the unjust and irrational old international economic relations and embark on the route of collectively relying on their own strength in order to quickly put an end to their poverty and backwardness. This struggle is just and it naturally has the resolute support of the Chinese Government and people.

Recently, Comrade Deng Xiaoping has time and again pointed out that at present, there are many problems in the world, but the most outstanding problems are the following two: 1) The problem related to peace; and 2) the problem concerning South-North relations. He said that the South-North problem is very outstanding at present. If we fail to solve this problem, it will become an obstacle to the development of the global economy. Since Third World countries obtained their political independence, they have all scored different degrees of economic development, but because they have continued to suffer from the fetters of the old international economic relations, they are still faced with serious difficulties.

Developed countries have continued to rely on their economic strength to maintain their position of monopoly in all fields. They have continued to maintain a relation between controller and the controlled and between exploiters and the exploited with the vast number of developing countries. In these years, the gap of poverty and richness between South and North has not only failed to reduce, but has, on the contrary, widened. If Third World countries fail to win their economic independence and develop their economies, it will be difficult for them to consolidate their political independence and it will also have an impact on world peace and stability. Many facts have proved that the poverty and backwardness in Third World countries have often caused social disorder and political instability and thus provided opportunities for superpowers in practicing hegemonism and carrying out infiltration and expansion.

Our country has always resolutely supported Third World countries' struggle for developing their national economies and establishing a new international economic order. It has resolutely safeguarded the economic rights and interests of Third World countries.

In April 1974 when Comrade Deng Xiaoping led a delegation to attend a special UN conference on raw materials and development, he put forth a rational proposal on reforming the unequal international economic relations. He profoundly pointed out that the problem related to raw materials and development was in essence the problem of developing countries safeguarding their national sovereignty, developing their national economies, and opposing the plunder and control of imperialists, particularly the superpowers. This is an extremely important aspect of the anticolonial, anti-imperialist, and antihegemonist struggle that the countries and people of the Third World are waging at present. In October 1981, Premier Zhao Ziyang attended, on behalf of the Chinese Government, the "International Conference on Cooperation and Development" at Cancun, Mexico, i.e., the "South-North Conference." At the conference, Premier Zhao put forth five principles on handling South-North relations and promoting international cooperation including the principle of "reforming the existing international order in accordance with the principle of justice, rationality, equality, and mutual benefits" and that of "correctly and closely combining the fundamental goal of establishing a new international economic order and the solution of the urgent problems that developing countries are faced with at present." By so doing he supported the rational demand of Third World countries with a clear-cut stand. At the same time, he pointed out that the question of whether or not there will be an

improvement in South-North relations is closely linked with the struggle against the aggression and expansion of hegemonists and with the safeguarding of world peace and stability. Therefore, this is not only a major economic issue but also a major political issue of strategic significance.

Because of the existing irrational international economic relations, and in addition, because of the heavy pressure on developing countries owing to the economic crisis that some developed countries shifted on them in the past period, many developing countries are now faced with serious problems, such as the slow development of industry, the shortages of grain supplies and sources of funds, the worsening of trade conditions, and enormous international payments deficits. Recently, the United States again raised its interest rates and thus aggravated the debt crises of some countries. Third World countries are carrying out arduous struggle to safeguard their rights and interests. As long as the struggle of Third World countries in the economic field is aimed at opposing the exploitation, plunder, and control of other countries, safeguarding their economic rights and interests or strengthening their mutual cooperation or as long as it is conducive to heightening the economic status of this area, it will win the sympathy and support of Chinese Government and people. We also vigorously uphold that developed countries should fully understand the actual difficulties and rational demands of the Third World, closely cooperate with Third World countries and seek a way to improve South-North relations. We have criticized a small number of developed countries for their unwise attitude in fabricating various pretexts to obstruct South-North talks. Developed countries' economies rely, to a very great extent, on the Third World, particularly for the supply of raw materials and the markets to sell their goods. If Third World countries become increasingly poor, there will be a harmful impact on the economies of developed countries.

As a developing socialist country, China has not only made efforts to promote the global talks and improve South-North relations, but has conscientiously taken part in "South-South cooperation." As far back as 1964, when Premier Zhou visited 14 countries, he put forth our country's eight principles on providing aid to foreign countries, which reflected our country's sincere desire for carrying out economic cooperation with Third World countries. Providing aid, within the scope allowed by our capacity, for the Third World countries that are faced with the greatest difficulties and particularly need help is a bounden international duty of socialist China. In order to meet the developing situation and the common needs of both China and other Third World countries, when Premier Zhao Ziyang visited 11 African countries from the end of 1982 to the beginning of 1983, he put forth the four principles on economic and technological cooperation--"equality and mutual benefits, pursuance of actual results, diversification of forms, and common development." These principles are applicable to our relations of economic and technological cooperation and are the continuance and development of our country's eight principles on providing aid to foreign countries. They have met with the approval of many Third World countries. These four principles fully embody the doctrine that our country has always adhered to in handling its international relations,

namely, the doctrine that in the political sphere, we uphold absolute equality, strictly respect sovereignty, refrain from interfering with other country's internal affairs, and attach no political conditions or privileges to the aid, while in the economic sphere, our aid is mutually beneficial, is not beneficial to ourselves at the expense of the other party and conforms to the need of the two parties in developing their national economies. In carrying out cooperation, the two parties proceed from the actual needs and the possible conditions, give full play to each other's strong points and strive to achieve sound economic results. We will probe into diverse channels and methods of cooperation in the light of the level of economic development and the level of technology of the various countries of the Third World. We can carry out joint capital ventures, cooperation in production or development, undertake construction projects, and carry out labor cooperation, technological exchange, or intellectual development. We can not only develop bilateral cooperation, but can also carry out multi-lateral cooperation. Through the cooperation, each supplies what the other needs, each learns from the strong points of the other to offset its own shortcomings and thus we help each other, strengthen each other's capacity of self-reliance and promote our national economies to develop together. There are broad prospects for this kind of very fair and positive cooperation. This cooperation itself is an important constituent part of the new international economic order that we are going to establish.

The old international economic order has been the result of the hundreds of years of plunder and exploitation by colonialists and imperialists, therefore it is impossible to cause it to collapse of its own at one stroke. Moreover, the superpowers will never willingly give up their privileges in plundering the developing countries. That is why the struggle of Third World countries to safeguard their national independence and develop their national economies will be a complicated long-term one and will encounter twists and turns. However, the Third World has already awakened and taken actions. The countries and peoples of the Third World want to dominate their own destiny in both political and economic affairs and are taking part in the decisions concerning the destiny of the entire human race. This has already become an irresistible historical trend. China will forever steadfastly stand by the side of the Third World and conscientiously perform its lofty international duty in safeguarding the rights and interests of the Third World.

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## INITIATE A NEW STYLE OF LITERARY AND ART CRITICISM

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 15-19

[Article by Gao Zhanxiang [7559 0594 4382]]

[Text] In our new historical period, we are fostering a new party work style, a new general mood of our society, and a new custom of our nation. We should ride the spring breeze of our times, strike the sail of reform and create a brandnew style of literature and art criticism. I am going to give three opinions on this issue.

First, we should vigorously encourage the work style of seeking truth from facts.

Seeking truth from facts means proceeding from reality in doing everything and integrating our practice with theory. It is a basic principle of the scientific methodology of Marxism and embodies in a concentrated manner the thorough materialist world outlook of the proletariat. As an ideological line of our party, its basic spirit and tenet is, as Comrade Deng Xiaoping said, to adhere to applying the stand, viewpoints, and methods of Marxism, proceed from reality in doing everything and thus put forth, analyze and solve problems in the light of the different time, localities, condition, and situations. Only by adhering to this ideological line and vigorously encouraging the work style of seeking truth from facts in carrying out literature and art criticism can we meet the demand for the development and prosperity of socialist literature and art in the new period and create a new situation in our work of literature and art criticism.

The 3d Plenary Session of the 11th CPC Central Committee was a milestone that marked our country's entry into a new historical period, in which our party has switched the focus of its work onto economic construction. The switch of the focus of our party's work requires corresponding change in the work of all fields. In order to adapt ourselves to this great turn of history and in order to develop literature and art in this new period, the CPC Central Committee has put forth the basic tasks for our literature and art work in the new period and formulated new literature and art principles and policies. It has also raised corresponding requirements for our literature and art criticism. "Watering fine flowers"--watering socialist flowers--has become the focus and the major task of the work of literature

and art criticism in the new period. Only by changing the previous incorrect practices which were carried out under the guidance of the idea of "regarding class struggle as a key link" can we give extremely vigorous play to the initiative of our vast number of literature and art workers and further emancipate our literature and art productive forces. Only by so doing can we make our work of literature and art criticism keep pace with the development of the new times and can we create a new scope of operation for our literature and art work!

In October 1979, Comrade Deng Xiaoping delivered a "Congratulations Speech" on behalf of the CPC Central Committee at the Fourth National Congress of Literature and Art Workers. In this speech, he made a clear estimate of the current situation of our literature and art work and our contingent of literature and art workers. He pointed out: "Literature and art circles are one of the sectors that have scored achievements." "The rigorous test of struggle has proved that generally speaking, our contingent of literature and art workers is good. Our party and people are very happy to have such a contingent of literature and art workers." The practice in the past few years has proved that this has precisely been the actual situation. Even if some problems have cropped up in the thoughts and artistic practice of some writers, these are mostly mistakes in the process of exploration and are the shortcomings that have emerged in the process of progress. After all, the number of the people who have doubted and negated the four basic principles and spread the feeling of nonconfidence in the party and socialism, is very small. Under this situation, in carrying out literature and art criticism, we should adhere to the principle of seeking truth from facts. We ought to vigorously foster new literature and art workers and water new flowers in the literature and art field. As for the works that have mistakes and shortcomings, we should do the work of cutting out the rotten part of the apples and we should not demand perfection or criticize them from the higher plane of principle at will. We should never forget the "bloody lessons" of the past.

Of course, stressing that literature and art criticism should focus on "watering flowers," does not mean that it is not necessary to "hoe up weeds." In our garden of literature and art, there are not only blossoming flowers but also weeds. The contradictions and struggle between the flowers and weeds is a process that if one of the two categories grows, the other will decline. Therefore, neither "watering flowers" nor "hoeing up weeds" is dispensable. The relation between the two tasks is a unity of opposites. If we satisfactorily do the work of watering flowers and thus enable them to continuously grow stronger, they will check the growth of weeds or even make them wither. In this sense, we can say that watering flowers is a positive way to exclude weeds. Just as Comrade Stalin said: "It is not a problem of banning. On the contrary, we should through competition create genuine meaningful plays with rich artistic value and of Soviet nature and use them to replace old and new nonproletarian works of low taste and gradually exclude these works from our stage." "Excluding" weeds "from the stage" through fostering fragrant flowers is a very good and very wise method. This requires that we carry out our literature and art criticism with a serious and militant scientific attitude and strive to

achieve a unity between being militant and being scientific. By so doing, we will really turn our literature and art criticism into a science and an effective weapon in resisting spiritual pollution and building spiritual civilization.

As on other fronts, on the literature and art front, there may emerge "leftist" and rightist erroneous ideological tendencies. This is an objective fact. In the past, under the guidance of erroneous "leftist" thoughts, we paid attention only to opposing rightism but paid no attention to opposing "leftism" in carrying out the work of literature and art criticism. This did not conform to the reality of the objective existence of the struggle on two fronts. Through bringing order out of chaos and eliminating the pernicious influence of "leftism," we have brought about a spring season for literature and art. A flourishing situation has emerged for both our literary creative work and our literature and art criticism. However, the struggle on the two fronts in our literature and art field has not ended. Concerning literature and art criticism, there has time and again been the practice of "leftism," which has been particularly outstanding in certain areas and on certain literary and art issues. This has made us profoundly see that in order to eliminate the remnant pernicious influence of "leftism," further arduous efforts must be made. However, we must also always be on our guard against the emergence of the rightist ideological trend of bourgeois liberalization. Therefore, our literature and art criticism should face the objective reality, seek truth from facts, oppose "leftism" when "leftism" emerges, and oppose rightism when rightism emerges. Which erroneous tendency is the major one, we will focus on opposing it. Whenever there is an erroneous tendency, we should oppose it. We should do as what Comrade Hu Yaobang said in his report to the 12th CPC National Congress: "We should strive to adapt ourselves to the objective reality and prevent the practice of neglecting another erroneous tendency while paying attention to one erroneous tendency." We should not pit the correction of "leftist" erroneous thoughts against the struggle against the rightist ideological trend of bourgeois liberalization and thus oppose only one of the erroneous trends. From the point of view of ideological line, both "leftist" and rightist mistakes deviate from the principle of seeking truth from facts and neither of them conform to the stand, viewpoints, and methods of Marxism. It is an incorrect and unhealthy mentality of being active in opposing "leftism" and passive in opposing rightism. So is the mentality of being active in opposing rightism and passive in opposing "leftism." It is utterly impossible to use "leftist" thoughts to convincingly refute rightist mistakes. It is also utterly impossible to use rightist thoughts to overcome "leftist" mistakes. Only by adhering to seeking truth from facts, proceeding from reality in doing everything, and correctly carrying out the struggle between two lines can we make our literature and art criticism advance to victory along the scientific path of Marxism.

In adhering to the principle of seeking truth from facts, our literature and art criticism should always proceed from reality, and concretely analyze concrete works. The ancients said, that in criticizing literature and art works, we had not "set a fixed pattern beforehand" or "apply a rigid rule."

Liu Xie said: "We should neither practice favoritism nor have prejudice, then we will be just and faithful in evaluating literature and art works." Lu Xun said: "I always hold that in commenting on a piece of writing, we should take the whole piece into consideration and should also take into account the whole history of the writer and the conditions of the society he lives in. By so doing we will make our criticism to the point." He also said: "In criticizing a piece of writing, we should speak unfavorably of what is bad and favorably of what is good. Only by so doing can our criticism be useful to the writer." A basic idea runs through all these views, namely, we should make concrete analysis of concrete works and should not regard a part as a whole. True, it is not useful to the writer to vulgarly flatter him in an unprincipled manner and "speak excessively highly of him"; but it is even more harmful to seize on a writer's mistakes or shortcomings, wield the big stick at him or stick labels on him. Our literature and art criticism must adhere to the principle of seeking truth from facts, analyze the thoughts and art of works, neither exaggerate their shortcomings and wantonly belittle them nor make a loud noise to flatter the writers. We should not stick at will the labels of "leftism" or rightism to literature and art works. Only by so doing, can our literature and art criticism be correct and relevant in evaluating literature and art works and be useful to writers and readers.

Second, we should vigorously encourage unity.

In carrying out the construction of spiritual civilization, we should create a surrounding of stability and unity for writers and artists and thus enable them to have ease of mind and be full of spirit in doing their bit for the people. Accordingly, in vigorously encouraging unity in carrying out literature and art criticism, we should first respect the rights and the results of the labor of our writers and artists. As a whole, writers and artists are a force like workers and peasants that we rely upon in building socialism. Using their specific artistic charms they create spiritual products and are able to continuously improve the thoughts and virtues of all the people in our society and inspire people's initiative in carrying out the four modernizations program. Naturally, they should enjoy the confidence, loving care and respect of the party and people. Our literature and art criticism must be conducive to encouraging the creativeness and initiative of our writers and artists. We should comment on and publicize their fine works with full enthusiasm and help them to sum up their experiences and shortcomings. In criticizing the mistakes in their works, we should have the desire to unite with them, combine the method of carrying out criticism in the press with the method of holding get-togethers and discussion meetings and carrying out heart-to-heart talks. We should actually act reasonably and sensibly as Comrade Hu Qiaomu told us to do. "Acting reasonably means that criticism should be to the point and be entirely reasonable and based on facts and soundly convincing. Being sensible means that in carrying out criticism, we should maintain a comradely attitude, accurately understand and analyze the psychology of the criticized, and move them by our sincerity and should not act unreasonably." We should foster a fine general mood of the society to respect the rights and labor results of our writers and artists. Only by so doing can we unite with them.

Between our literature and art critics and our writers and artists, a new type of relationship should be established to turn them into comrades and friends who will give forthright admonition to one another. This is what the party and people expect from them. Comrade Zhou Enlai said: "Critics are good friends of artists and the audience." One of the reasons for the emergence of gaps between critics and writers is that writers often find that some articles of criticism do not give them much help in their creative work. These articles fail to make careful study of their works or to put forth pertinent opinions. Sometimes, critics are often fond of pandering to fashionable views and thus fail to provide sound enlightenment for writers. One of the methods for solving this problem is that our critics should make friends with our writers, carry out more heart-to-heart talks with them and continue to deepen their "understanding of" and "love for" our writers. "Understanding" means that through making friends with writers, they gradually become familiar with the life experiences of our writers, their characters, their views on creative work and their artistic style. The reason why Qu Qiubai was able to make so profound and thorough analysis of Lu Xun's essays was precisely because he had had close contacts with, a deep understanding of and a profound friendship with Lu Xun. "Love" means that we require our critics to be sincere and frank in dealing with writers and artists. The critics who understand the laws of art and profoundly know the sweetness and bitterness in literature and art creations, always infuse their articles of criticism with their sincere feelings for the writers. Even when they criticize the shortcomings in literature and art works, they proceed from their concern and love for the writers. Particularly, when writers suffer from censure for their works for no reason or suffer from attack in person, literature and art critics should have the courage to come out to defend truth.

In encouraging unity, we should pay attention to the diversification of themes and style in our literature and art creations. It is normal that the literature and art critics should have their own partialities in enjoying and evaluating literature and art works. However, partiality does not mean emphasizing one thing at the expense of other things, therefore, we should always strive to make our criticism attend to all aspects of literary and art works. Nikolai G. Chernyshevski said: "The task of criticism is to express the opinions of fine readers." A. Tolstoy said: "In criticizing literature and art works, a critic should proceed from a higher plane than his partiality." At the present stage, the realization of the four modernizations has already become an overriding key task for the people throughout our country. Our critics should first unite with the writers and artists who are striving for the four modernizations and should confirm any book that is conducive to the four modernizations. The works of some writers can hardly be regarded as socialist or communist works, but they are at least patriotic. We can use patriotism to rally all these writers together and encourage them to vigorously write for the revitalization of China and for the reunification of our motherland. We should follow the "double hundred" principle and allow different styles and different schools to coexist. We encourage the method of combining revolutionary realism with revolutionary romanticism, but we also allow some writers to try to use some modernist techniques of expression to enrich their artistic

creation. While encouraging them to carry out bold exploration, we should help them to sum up experiences and lessons. The unity of our literature and art contingent is of many tiers. We should do our best to unite with all the forces that can be united with so as to strengthen our literary and art contingent and make our literature and art creations prosperous.

Of course, by upholding unity, we do not mean that we should refuse to carry out criticism. In his "Speech at the Forum on Play Writing," Comrade Hu Yaobang said: "According to Marxist viewpoints, criticism is a weapon to help our comrades and undertakings to make progress. It is an activity like washing faces, paying attention to hygiene, and absorbing nourishment." Through criticism and self-criticism, we will remove the dirt in our contingent of literature and art creation and in the thoughts guiding the creation. By so doing, we will achieve even firmer unity. Creation and criticism are two aspects of our socialist literature and art. They interact and promote each other. "A truly great literature grows precisely under the coordinated efforts of great writers and great critics. This process will continue in the future." We firmly believe that as long as our literature and art critics make efforts shoulder to shoulder with writers and artists, they will surely promote the prosperity and development of the socialist literature and art undertaking.

Third, we should vigorously encourage the practice of contention.

"Let a hundred flowers blossom and a hundred schools of thought contend" is our party's basic principle in guiding science and literature and art. This principle is indispensable for the prosperity of literature and art. Not only should the various kinds of erroneous tendencies in our literature and art creation be corrected through contention, not only do the success and failure and experience in the esthetical creations of our writers and artists have to be summed up through it, but even various kinds of artistic style and artistic schools should compete with one another and develop through contention. Judging by the current situation in Hebei, an increasingly prosperous situation has emerged for literature and art creation, but the contention has been far from active, has lacked vitality, and has failed to be as satisfactory as we expect. Therefore, we must correctly understand and implement the party's "double hundred" principle and vigorously encourage the habit of contention.

Vigorously encouraging the habit of contention does not necessarily mean that we should contend for the sake of contention. It first of all means that we "should implement the principle of 'letting a hundred flowers blossom and a hundred schools of thought contend' on the basis of serving socialism." It also means that we "must not throw away the weapon of criticism." Both criticism and self-criticism should be carried out in a satisfactory manner. In addition to the above-mentioned two aspects concerning seeking truth from facts, and convincing people with arguments and moving people with our sincerity, we should also pay attention to another two aspects. First, we should allow others to return criticism for our criticism. As everyone's social practice and understanding is to a certain extent limited, it is impossible for him to be "always correct." When one

has committed mistakes in criticizing others, the countercriticism from other people will enable one's understanding to come a step nearer to truth. Even if one's views are correct, it is imperative to let other people air their different views in order to further straighten out their thoughts. Just as Comrade Zhou Enlai said well to the point: "We encourage letting a hundred schools of thought contend and free discussion as well as criticism. As long as it is a debate within the scope allowed by socialism, people are allowed to express both favorable and unfavorable views. If we only allow people to make criticism and do not allow them to discuss the criticism, people will say that it pays to be a critic." Second, we should aim at helping others as well as adhering to principles. Our contention is mostly carried out among the people and the final goal of the contention is to discover and develop truth and to make our socialist literature and art undertakings prosper. Therefore, we do not think that unhealthy practices such as sticking to sectarian bias, acting under the sway of personal feelings, and attacking one another in words is commendable. We should help others to make progress so as to display the broad-mindedness of Marxists. We should also adhere to principles in order to display our lofty sense of responsibility in defending truth. Of course, those who are criticized should adopt a modest attitude. It is a wrong view that shows one's lack of modesty to think that theory can be dispensed with and that criticism is not worth paying attention to. This view shows one's lack of modesty. The creative work of writers and artists is by no means their private affair and the works created by them will inevitably have an impact on the minds and lives of our people; therefore, the critics and readers have the right to criticize them. Lu Xun vividly compared the relations between writers and artists and critics and readers to the relations between "cooks" and their "customers." "When a cook has made a kind of food, his customers will speak favorably or unfavorably of him." As soon as the cook hears the criticism, he should not shout to his customers: "Well, will you cook it for me to taste!" Lu Xun not only strove to advocate allowing contention and criticism in theory, but he also personally practiced this view. He always welcomed the critics' and readers' criticism of his works. In debating about revolutionary literature, he even hoped that there had been "people who can use the shooting skill of Marxist criticism to snipe at me." While he "often analyzes other people," he makes "analyses of himself more often and in an even more ruthless manner." In particular, after he became a Marxist, he consciously applied the viewpoints of historical materialism to profoundly analyze the negative factors and one-sidedness in his earlier works. All our writers, artists, and critics should learn from Lu Xun's example.

In vigorously encouraging different schools of learning to contend, we must pay attention to policies. First, we should implement the "principle of three do nots." Comrades Mao Zedong, Zhou Enlai, and others have repeatedly stressed this. At the 5th Session of the 11th CPC Central Committee, our party wrote this principle as a discipline into the "Guiding Principles on Inner-Party Political Life": "We should strictly implement the principle of the 'three do nots'--do not seize on people's mistakes or shortcomings, do not brand people with labels and do not wield the big stick... This means that we forbid the practice of exaggerating a man's mistakes at will and

thus describing them as crimes in order to deal political and organizational blows on or even persecute him." Practicing the "principle of three do nots" in the literature and art circles means that we should correctly handle the two different categories of contradictions, and that we should provide political protection for the writers, artists, and critics who have committed some mistakes in their work of exploration as well as allow them to commit mistakes in their exploration. This will be a reliable guarantee to remove the various political worries and doubts in the minds of our writers, artists, and critics and enable the contention between various schools to develop normally and healthily. However, when we are implementing the "principle of three do nots," we must prevent the practice of pitting its implementation against criticism. No one, whether he is a writer, artist, or critic, should reject criticism in any form by the excuse of implementing this principle. No one of them should regard as a practice of seizing on their mistakes or shortcomings the criticisms that point out their mistakes in a manner of seeking truth from facts. Nor should they regard as a practice of branding people with labels the practice of viewing the mistakes from a higher plane of theory or regard as a practice of wielding the big stick the practice of carrying out criticism with a clear-cut stand. We must draw a clear demarcation line between these two.

Second, we should practice artistic democracy. Ideological problems can be solved only through persuasion, not by coercion. In order to strengthen the party's leadership, we should improve it. For, improving the party's leadership is precisely aimed at strengthening it. In literature and art circles, we should not force the "will of the leadership" on the people: We should not allow people only to believe in one artistic viewpoint and force them not to believe in another, and we should not allow only one kind of flower to blossom and ban the blossoming of other kinds of flowers. At the same time, we should prevent the practice of making subjective and arbitrary decisions. We should not simply and hastily draw a conclusion on the problems being discussed. For the problem that we do not understand or do not thoroughly understand, we had better adopt a wait-and-see attitude and inquire into it. We should not jump to any conclusion until discussion has been fully carried out and the rights and wrongs have already been clearly distinguished. Thus our conclusion will conform to reality and win the support of most people, and we will really achieve the aim of uniting with our comrades as well as straightening out their thoughts.

In order to vigorously develop literature and art critics during the new period, we must have a strong Marxist contingent of critics. This requires us to strengthen the development of this contingent. In addition to organizing the contingent of literature and art critics, an even more important task is to strive to improve its ideological quality and professional competence. Maxim Gorki said: "In order to have the power to attract the attention of writers, our critics must have greater talents than our writers and know more about the history and life of our country than them. In short, they should be better than our writers in their intelligence." This requires literature and art critics to be well-educated in many aspects, including being both ideologically and artistically accomplished and knowing life well.

How then should we solve this problem? I think, at present, we should strive to do three things: "Strive to carry out wide-ranged observation," deepen our "foundation" and to practice diligently. "Carrying out wide-ranged observation" is a view put forth by Liu Xie in his "The Literary Mind and the Dragon Carving." I think that this view is quite right. He said: "One knows music after one plays 1,000 tunes, and one knows about swards when one has seen 1,000 swards; therefore, in order to become a perfect critic, one has to first carry out wide-ranging observation." By "carrying out wide-ranging observation," he meant to acquire wide-ranging knowledge through observation. This means that in order to be able to analyze in an all-round manner the quality of literature and art works, we must be relatively highly accomplished ideologically and acquire abundant knowledge about society. Only when one has wide knowledge can he gradually become a master in making appraisals. Deepening one's "foundation" means that we should deepen our Marxist theoretical foundation. This means that we should arduously and profoundly carry out our study and strive to heighten our understanding of Marxist theory and improve our artistic accomplishment. One question that we should pay attention to is that some of our articles of literature and art criticism lack the necessary theoretical depth and the necessary level of knowledge. This shows that the ideological level and professional competence of our literature and art critics urgently need improvement. Therefore, we must conscientiously and stubbornly study-- study Marxist literature and art theory, the important documents published since the 3d Plenary Session of the 11th CPC Central Committee, and study and understand some new scientific and technological knowledge. To practice diligently means that a literature and art critic should take part in the practice of writing articles of literature and art criticism. This is what he should naturally do. I should also stress the issue related to the practice of literature and art creation and the practice of life. Under possible conditions, the comrades who are engaged in literature and art criticism should carry out a little literature and art creation. This will deepen their understanding of the joys and bitterness of writers in writers' work, increase the common language between them and writers and facilitate raising the level of their criticism. Our literature and art critics should also take an active part in the practice of social reform and be promoters of the reforms. Now we are in a great epoch of reforms, our literature and art critics must stand high and see far and work at the forefront. Only by so doing can they produce the articles of criticism that our times need. It is difficult to achieve any success by acting in accordance with the idea that "a scholar is able to write articles of criticism without ever being out of the door of his residence."

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AN ERA IN WHICH MUCH CAN BE ACCOMPLISHED BY THEORETICAL WORKERS

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 20-21

[Article by Jia Chunfeng [6328 2504 1496]]

[Text] A year ago Comrade Deng Xiaoping wrote an important inscription to mark the 25th anniversary of the publication of RED FLAG: Theoretical work should serve socialist modernization. This inscription points out the basic task of theoretical work after the party has shifted its work focus, and is a basic guiding principle to be observed in the work of theoretical study, theoretical education and theoretical propaganda in our new historical period. The fact that theoretical work should serve socialist modernization has substantial and significant content, and much should be done in various respects of our work (including study of the application of theories, study of basic theories, theoretical study of practical topics, and study of historical themes). At present, enthusiastically and effectively carrying out theoretical study and propaganda for reform is an important aspect in our work. Of course, we can take many and varied forms to implement the guiding principle of making theoretical work serve socialist modernization so that theory can be closely integrated with reality. For example, many localities have organized social science workers and practical workers to work together to carry out study on the subjects of the building of material and spiritual civilizations, such as the contract responsibility system according to output in the rural areas, specialized households, new economic combines, commodity circulation, enterprises run by towns and townships, construction in small towns and townships, reforms in industrial enterprises, commercial reforms, educational reforms, exploitation of intellectual resources, reform of the personnel system, the building of spiritual civilization, improving and strengthening ideological and political work, and so forth. They have presented theses and work proposals. All these can be regarded as specific forms of study.

In recent years our party has always emphasized that to build socialism with Chinese characteristics, create a new situation in work, and break new paths, we should carry out reforms. Not long ago, in his "Report on the Work of the Government" delivered at the 2d Session of the 6th NPC, Premier Zhao Ziyang proposed a series of feasible guiding principles, policies and measures, and made explicit work arrangements for the present urban economic

reforms. Under the leadership of the party and government, reforms are being vigorously carried out on all fronts. Under such situation, as theoretical workers, how should we use our theoretical activities to promote the development of reforms and discharge our dignified social responsibility? We should truly and conscientiously consider this question and answer it with our creative labor.

Marx long ago stated: "Our theoretical plans can be perfected through accumulating a large number of practical experiences." ("Complete Works of Marx and Engels," Vol 23, p 417) While talking about the issues of science and education, Comrade Deng Xiaoping pointed out: "The occurrence of a new scientific theory is a result of summing up and generalizing practical experiences." ("Selected Works of Deng Xiaoping," p 55) Theories absorb vitality from practice. They are formed and developed on the basis of practice. The practice of reform requires theoretical guidance, whereas the practice of reforms is a powerful driving force for theories to flourish. The Marxist theory of knowledge has taught us that great reforms are bound to give rise to the great development of theories. This has been repeatedly proved by the history of knowledge of mankind.

The rich and varied practice of reforms, which are developing so rapidly, has provided us with a series of new subjects for theoretical study and propaganda. To theoretical workers, the present era is truly an era in which much can be accomplished.

For example, with regard to the law of development in various fields of socialist modernization, we are facing arduous and strenuous tasks in the theoretical study of this subject. The present reforms have created very good conditions for such study, and for deepening our understanding of the law. Practice has told us that in our study of social sciences (including philosophy, economics, politics, the science of law, sociology, theory of literature and art, and so forth), we are truly facing problems of how to improve our study so that it will develop in a faster and better way to satisfy the objective demands of socialist modernization.

For example, with regard to many questions of ideological understanding of the masses arising in the practice of reforms, it is also necessary to theoretically provide them with scientific explanation and answers. Newspapers, periodicals, and broadcasts recently have spread gratifying news of reforms every day. People energetically talk about reforms in conference rooms, at dining tables and on sidewalks. We know from people's laughter that their hearts are thrilled with happiness. Reforms are greatly inspiring and encouraging our people, and have provided the entire economic and social life with dynamic vigor. Reforms are encouraging us to march forward courageously. In the meantime, many new ideological problems, problems related to the understanding of things and theoretical problems have also been raised. Only by understanding and grasping the ideological pulse of cadres and the masses, carefully observing their feelings, and listening to the voice of practice can we make our theoretical propaganda vivid, significant and convincing. There is a problem of "reunderstanding" theories and practice of socialism in order to do away with those

long-existing erroneous concepts and one-sided views. A commentator's article "On Reunderstanding" published in issue No 12 of RED FLAG this year stated: The problem of understanding, and the problem whether our thinking is correct is a problem of primary importance. We should on no account neglect it. The article adds: It is an important and constant task of philosophical propaganda to let the ideas of "reunderstanding" strike roots in people's heart so that people will be able to enhance their capabilities of understanding and reforming the world. This is a good issue raised by the author. To those promoters of reforms, this means an ideological reconstruction with vital significance that should not be neglected.

Let us further cite the following example. To carry out reforms, we need scientific ideological method and mode of thinking. It is the duty of theoretical workers to shoulder the tasks of integrating the practice of reforms with propaganda on the Marxist theory of knowledge and dialectics. We still remember that when Lenin talked about dialectic logic and dialectics, he mentioned the following four points: 1) To truly understand a thing, we should grasp and study all of its aspects, connections and "intermediaries." Although it is impossible for us to fully meet these requirements, looking at problems all-sidedly can help us prevent mistakes and ideological ossification. 2) We should observe things from their own development, "their own movement," and their own changes. 3) We should take the entire practice of man as a criterion for testing the truth. 4) There is no abstract truth, and truth is always concrete. These points are still matters of significance for studying social phenomena, including the practice of present-day reforms in terms of world outlook and methodology. While carrying out reforms, it is absolutely necessary for us to advocate, study and encourage people to master the dialectical materialist theory of knowledge and scientific dialectics. We should enrich and develop them in the new practice.

The above-mentioned examples are cited from the angle of reforms. Many other examples can be mentioned. This article does not touch upon the subjects based on the requirements of the new technical revolution and theoretical work of opening up to foreign countries. In a word, reform is the road which we must take in order to build socialism with Chinese characteristics. It is also an abundant source for developing and promoting theories. Theoretical workers can fully display their prowess in the vast arena of the practice of reforms. Under the new situation, we should work hard to study Marxism-Leninism-Mao Zedong Thought, study the line, guiding principles and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee, study in the course of the vigorous practice of reforms, and study new scientific knowledge (including knowledge on social sciences, and knowledge on science and technology). We should go deep into the realities of life, and be bold in carrying out exploration and creative activities of study. We should make efforts worthy of our times.

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## AN ATTEMPT TO REFORM THE RURAL ECONOMIC SYSTEM--DISCUSSING RURAL ECONOMIC ASSOCIATIONS

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 22-26

[Article by Liu Zhengwei [0491 2973 1218]]

[Text]

I

Rural economic associations are not something concocted in people's minds, but something produced to fulfill the objective needs presented by the development of rural commodity production. Following the 3d Plenary Session of the 11th CPC Central Committee, the creation of the rural production responsibility system brought about the appearance of a contract responsibility system linking households which were both "unified and separate," simultaneously giving play to both the advantages of the collective economy and the initiative of household management. On the basis of several successive years of bumper harvests in the countryside, the masses of peasants, in order to expand the scale of production, and achieve even greater economic results, on the basis of their financial, technological, equipment, and labor power conditions, further broke through the "small but complete" model of production, and began to develop toward specialized production and to advance in terms of breadth and depth. The rapid growth of the mixed management methods promoted a division of labor and industry within agriculture. All sorts of specialized households and economic associations based on commodity production sprang up all over the place. For example, the specialized households and key households which appeared all over Henan Province amounted to around 5 percent of the total number of peasant households in the province by the spring of 1982; by the end of 1982, the figure had risen to 10 percent; by the summer of 1983, it was 15 percent; and by late 1983 it had reached 20 percent. In addition, there appeared a large number of specialized villages and areas. This specialized commodity production urgently needs supplies of technology, supply and marketing facilities, funds, information, processing, transport, insurance against damage, management guidance and other social services. For instance, specialized chicken-raising households need supplies of technology and feed, also epidemic prevention, breed improvement, and other services. These services cannot be provided by a single village or production team; they require the cooperation and coordination of all the various economic and technological departments serving the rural areas, which must organize in a broad and multilevel manner in order to satisfy all these needs.

With the development of the division of labor and specialization in agriculture, the commodity rate in the countryside has risen rapidly. According to representative surveys, by late 1983 the rural commodity rate in Henan Province had risen from the 20 percent before 1980 to 50-60 percent. The products produced by the broad masses of the peasants, apart from the portion consumed by themselves, have to be sold in ever increasing quantity, and at the same time the amount of means of production and of livelihood which needs to be purchased is increasing daily. The problem of "difficulty in both buying and selling" which has appeared all over the place exposes the maladies in the existing circulation system and its methods. These methods were formed under conditions in which the rural commodity economy was developed, and materials were relatively scarce; it used to play a positive role, but today, when the rural commodity economy has grown to its present scale, it is no longer suitable. The development of the rural economy urgently requires reforms in the existing circulation system and its rules and regulations, and the speedy formation of a new circulation system with more channels, more forms, and less links, such that production and circulation are adapted to one another. Under this situation, there has arisen a new tendency for those involved in production to become concerned with circulation, and vice versa, forming closer links between the two spheres. For example, the masses have spontaneously organized pig-rearing associations, white cabbage associations, milk associations, and bamboo weaving associations involved in production and marketing services, along with purchase and sales service companies and specialized purchase and sales households, and so on.

Under the new situation, in which rural commodity production is developing, the existing rural economic entities have become the major obstacle to the development of the rural forces of production. The previous economic and technological departments of the people's communes can roughly be divided into three categories: First, state-run and cooperative commercial and financial units, including supply and marketing cooperatives, foodstuffs management stations, grain management departments, and credit cooperatives; second, enterprise units under the jurisdiction of the state Agriculture Ministry, including agricultural technology promotion departments, agricultural machinery management stations, livestock veterinarian stations, seed stations, water conservancy offices, forestry stations, and so on; and third, commune-run industrial and commercial enterprises. Their work characteristics are as follows: State and cooperatively run commercial departments mainly carry out purchasing and sales tasks set by the higher authorities, and do not pay enough attention to rural commodity production. Agricultural enterprise units mostly depend on operating expenses for their existence, doing as much as funds from the higher authorities will permit, and they have no direct effect on how well rural commodity production is developing. Commune-run commercial and industrial units, due to various historical reasons, do not for the most part have any close connection with the interests of the peasants. The various departments described above, apart from commune-run enterprises, are mostly led by the competent county department--carrying out orders from above, and having no connection with each other. This economic system which is built on vertical links only splits up the organic entity of the rural economy, and seriously

affects the coordinated development of the rural economy. Therefore, eliminating the division between "vertical" and "horizontal," creating an economic system which consists of a network, and uniting the broad masses of peasants within this service network, has become an objective demand of the development of rural commodity production.

In order to seek for the establishment of an economic system which is suited to the new rural situation, we have many times conducted in-depth research, diligently summed up the various new experiences created by the masses, and organized the theoretical workers and practical workers concerned to conduct discussions and conferences. Everyone has looked back at the profound lessons we learned from the way the vicissitudes of the rural economic system over the past 30 years have affected economic production, studied and researched into the advanced experiences of certain economically developed regions at home and abroad, and formed the opinion that economic associations are a good rural economic form, because they are in contact with the state at the top and the peasants at the bottom, they are able both to maintain the initiative of the "vertical" and bring into full play the way these links extend in all directions, which is of benefit to the circulation of funds and technology; and at the same time, they are able to guarantee "horizontal" coordination, and to really solve the problem of making the rural economy a cohesive entity. Based on this understanding, we carried out research and surveys throughout 1982, holding discussions at all levels, and finally came up with the idea that at the same time as separating the state and the cooperative, we should establish pilot rural economic associations. Only when these were found to be successful would we popularize them throughout the province.

## II

The rural economic association is a comprehensive economic organization of many parts and levels, which is based mainly on the cooperative economy. It is not a functionary department of the government, but an economic organization which, under the leadership of the local party committee and government, uses mainly economic means to organize and coordinate rural economic activities. It supports the use of economic methods and through various forms links up the various economic and technological departments and units which serve the rural areas, to coordinate, serve and guide the development of the entire rural economy. In the process of their common promotion of rural economic development, all the various departments and enterprises taking part in the association develop business in all spheres, and based on their individual contributions, receive commensurate rewards. As in the implementation of the household responsibility system in the countryside, the various economic and technological departments and units which serve the countryside act on the principle of voluntariness and mutual interests, start with facts, suit measures to local conditions, and work on the basis of splitting up tasks or carrying them out together wherever appropriate. In this way, the initiative of both "horizontal" and "vertical" relations is brought into play, and the previous economic system which split the "horizontal" from the "vertical" is turned into one in which both are intimately linked, forming a network. Thus the whole of

the rural economy begins to show coordination, and a new situation of coordinated management by all levels, which in turn promotes the development of commodity production and proves popular with the peasants.

Why should the economic associations link up all the various departments and units which serve the rural areas? As we know, the rural economy embraces agriculture, forestry, animal husbandry, sideline industries, fishery, commerce, and industry, and also includes everything which serves the various rural enterprises, such as supply and marketing, technology, processing, transport, credit, and other departments and units; involved in rural economic activities are both state-run, collective and household-run enterprises; involved in organizing and leading these activities are both "horizontal" and "vertical" levels. The rural economy is an organic system with many different sectors, links, departments, and levels, and if we are to enliven the rural economy, we cannot possibly simply rely on a single department or grasp a single link. The economic associations organize all the various departments serving the rural areas; they can start from this basic characteristic of the rural economy, and use the theory of system science as a guide to achieving fine results in the macroeconomy and in terms of overall interests.

In order to genuinely link up all the various economic and technological departments, which are run under different ownership systems and have different professional characteristics, into economic associations, we must uphold the principle of voluntarism and mutual interests. An association without mutual interest can only be a superficial one, without genuine cooperation. In response to the fear on the part of the departments concerned that if they take part in the associations they will lose out or be subject to egalitarianism and indiscriminate transfer of resources, we state clearly in the regulations that those units participating in the associations shall carry out the "six immutables," that is, there will be no change in ownership system, rights over personnel and materials, spheres of jurisdiction, accounting methods, support from the higher authorities, or treatment of staff and workers. At the same time, in the process of carrying out the association's management and services, the principle of exchange of equal value will be upheld. In this way, the various departments can both guarantee the fulfillment of the tasks handed down to them "vertically" from above, and expand the scope of their business and service, achieving much better results than they would do if they continued to carry out management on their own.

In setting up these economic associations, measures must be suited to local conditions, and the reality of the situation taken as the starting point. On the questions of the specific substance, forms, methods, and steps to be used in each association, we should not insist on a single inflexible rule, nor should we cut everything with one knife, but instead we should decide upon these things according to the specific conditions obtaining in each area. For example, some economic associations link up all economic and technological departments and units which serve the countryside, while some start by linking up all those departments involved in circulation. As far as internal structure is concerned, generally speaking, three

departments are set up, agricultural, industrial and commercial, while some establish certain other companies alongside. In response to the needs of local commodity production, some areas also set up specialized companies, cooperatives, or associations dealing with tea, Huai medicine (the area of Henan to the west of the now Xiuwu and Wubu Counties and to the north of the Yellow River, known in ancient times as Huaiqing Prefecture, produces the famous medicines Chinese yam, glutinous rehmannia, achyranthes bidentata, and chrysanthemum flowers, which are known collectively as "Huai medicine"), flowers and plants, building, transportation, fishery, and so on.

As an economic organization, the economic association has the main functions of management and service. However, given the reality of today's countryside, many economic associations have no choice but to exercise certain economic administrative functions at the same time. This is because first, such an association has only just been extracted from the administrative organ, and is bound to contain traces of that administrative organ; second, when an association uses economic methods to complete its tasks there has to be a certain process. It may be predicted that with the development of the forces of production and the people's ideological understanding, and the increase in their management capabilities the economic associations are bound to consciously and constantly strengthen their management and service functions, and gradually and naturally weaken their administrative functions. According to surveys, the present performance of the economic associations in these two different aspects is different. In general, those associations which were started comparatively long ago tend to exercise more management and service functions than those which have only just been set up; while those economic associations whose cadres are of higher quality tend to exercise more management and service functions than those whose cadres are not familiar with commodity production.

### III

In general, economic associations are set up under the auspices of supply and marketing cooperatives, which form the basis, backbone, and main body of the associations. Why should this be so?

First, under today's situation in which commodity production is constantly developing, there is often an extremely marked reaction between channels of circulation and commodity production. In areas where such channels are smooth, there is less problem with buying and selling, and commodity production develops quickly; while in those places where the channels are not open, the peasants experience acute difficulties with buying and selling, and the development of commodity production is consequently suppressed. As the main channels of circulation for rural commodities, the supply and marketing cooperatives play an important role in the prosperity of the rural economy.

Second, the supply and marketing cooperatives were set up in the early 1950's with the support of the state and the collective investment of the broad masses of peasants. The peasant masses are the "shareholders" of the supply and marketing cooperatives, and as such have strong feelings toward

them. Though later, under the influence of the "left," the various upheavals and changes meant that the relationship between the peasants and the cooperatives was less intimate than at the time of their establishment, the cooperatives continued to play a certain role in developing the mixed economy, organizing commodity purchase and sales, promoting the exchange of goods and materials between town and countryside, and helping in such aspects as production and livelihood services. Therefore, the cooperatives continue to have some influence and prestige among the peasant masses.

Third, in the long process of management, the supply and marketing cooperatives have accumulated a certain amount of funds and fixed assets, and have a certain amount of management ability; they have formed a team of staff and workers which understands economics and is capable of managing, and have developed technological forces and trained a large number of experienced personnel able to market and purchase commodities; they are spread over a wide area, and have formed a management and service network over this area; they have prompt access to information, and economic contact with places all over the country, enabling them to promptly grasp market changes and economic information. All of these things represent conditions beneficial to the development of rural commodity production.

Fourth, the management and service activities involved in by the supply and marketing cooperatives are broadly and closely linked with the economic and technological departments which serve the rural economy, such as agrotechnology, agricultural machinery, forestry, animal husbandry, grain, and foodstuffs departments, and commune production team-run industrial and commercial enterprises, along with individual industrial and commercial concerns, the various economic combines, and the broad peasant households. For instance, agrotechnology departments, when popularizing agrotechnology, must supply fertilizer, pesticide and other means of production through the supply and marketing cooperatives, while agricultural machinery departments must supply diesel oil, spare parts and so on in the same way; animal husbandry departments must introduce fine breeds through the supply and marketing cooperatives, while the various rural cooperative economic organizations and the bulk of peasant households rely also for their supply, marketing, and production on supply and marketing cooperative services.

Fifth, in the process of the reform, supply and marketing cooperatives have gradually turned into comprehensive service centers for the rural economy. Previously, supply and marketing cooperatives were concerned only with supply and marketing, whereas today, the development of the situation urgently requires that the supply and marketing cooperatives be turned into comprehensive service centers, supplying various preproduction, production, and postproduction services for the development of rural commodity production, and solving problems concerning production, processing, storage, transportation, supply and marketing, technology, information, and so on.

In view of the above situation, it is our opinion that the organization of economic associations based on supply and marketing cooperatives represents

a relatively appropriate path. Of course, we say this on the basis of the actual conditions in the majority of Henan's areas. It is never possible to make one rule for all, and we must carry out specific analysis of specific conditions. For instance, in some places the basis of the supply and marketing cooperatives is rather weak, while the rural enterprises there are relatively advanced, such that they form a strong management, service, and production force; in some villages there is no supply and marketing cooperative, but instead a cooperative jointly run by two or more villages together; and in these and other similar conditions, we can of course conduct pilot projects where the economic association is based on a unit other than a supply and marketing cooperative. In short, we must start from reality, and never insist on one blanket rule for all situations.

If the supply and marketing cooperative is to be entrusted with the task of setting up the economic association, it must be run properly itself. Due to various changes in the rural economic system in the past, the supply and marketing cooperative, which had been a cooperative commercial organization of the peasant masses, changed into a state-run commercial organization, and with long-term "management by a single person," created a sort of "commercial-official" way of doing things; this made relations with the peasant masses ever more distant, and the cooperative became less and less suited to the characteristics of the countryside. In particular, the cooperative no longer suits the new atmosphere of speedy economic development in the countryside. Therefore, it is not viable to simply take the supply and marketing cooperative in its present form and use it to set up an economic association; reforms must first be carried out within the cooperative itself. Based on our own understanding and experience, to enable the supply and marketing cooperatives to take on this heavy task, it is not sufficient merely to take the reform to the extent of increasing and broadening shares, sharing out the cooperatives more, and establishing a healthy and perfect board of directors and supervisory board. We must push the reform further and deeper, turning the cooperatives into cooperative commercial organizations which are genuinely and intimately linked with the interests of the broad masses of peasants, such that the peasant masses genuinely have the power to control and manage them, and to supervise them. To this end, it is necessary to make the shares held by peasants a considerable proportion of the total assets of the cooperative, giving the peasants the right to send their own representatives to take direct part in management, and to give the cooperative itself full autonomy and flexibility in management, especially in the spheres of personnel, wages, prices, economic management and other aspects, where there must be breakthroughs in the current situation.

#### IV

How can economic associations link up departments and units with different ownership systems and different forms of business, and serve the overall development of the rural economy in a coordinated and concerted way? The basic reason for this lies in the "six immutables" mentioned above, and on that basis, all sorts of economic methods are used, and, based on a respect for the economic interests of all concerned, a common entity is formed in which all the economic interests involved are unanimous.

First, the relations between the various units within the economic association must be handled appropriately. The key to whether the internal cohesion of an economic association is close and coordinated lies in whether or not the principle of voluntariness and mutual benefit is upheld. The economic interests gained by the various units involved in the association in the process of its economic activities must definitely be linked to the size of the contribution made by each respective unit; while those units who have failed to carry out a task contracted for and have consequently caused losses to the association must take a certain amount of responsibility.

Second, the relations between the economic association and the various units which comprise it must be handled appropriately. The economic relations between the association and its component units are set out in a contract. Each unit generally carries out its own accounting independently, and takes responsibility for profits and losses. When organizing combined economic activities, the association will draw a certain combined management fee from the after-tax profits of the joint management unit. This income of the economic association, apart from being used for expenses incurred in its own activities, shall be used to support its various member units in their efforts to develop expanded reproduction or new enterprises, and so on.

Third, the relations between the economic association and the economic organizations of the villages and brigades and with the broad peasant households must be properly handled. In the main, the economic association carries out preproduction, production, and postproduction services with regard to the various village and brigade economic organizations, and through compensation services in the spheres of economic management, supply and marketing coordination, processing and transportation, funds credit, technology transfer, crop protection, animal disease prevention, and dissemination of information, unites the peasants and brings them into its sphere. In developing its work, the economic association must also pay attention to the following: Whatever the peasants are managing individually, they should be encouraged to continue doing so; while whatever they are unable to manage by themselves, the association should actively organize the relevant departments to carry out. In short, whatever will be of benefit to enlivening the rural economy should be organized. At present, the form and content of the various joint-run concerns are many and varied; in the field of economic management, there are joint concerns involved in production, purchasing and sales, processing, science and technology, and unified production, supply and marketing; in the field of different industries, there are joint concerns in crop cultivation, planting, processing and services; and in the field of rural residents, there are joint concerns organized by various rural cooperative organs, joint "two houses in one" ventures, and so on. In order to develop cotton production, the economic associations in some areas have organized the supply and marketing cooperative, agrotechnology station, credit offices, and other units to sign technological contracts with peasants, so that they carry out tasks such as technological guidance, supply of fertilizer, pesticides, seeds, machinery and so on, and investment of funds, bringing the advantages of each area into play and developing cotton production.

Fourth, the relations between the "horizontal" and "vertical" must be handled properly. In economic management activities, those production tasks which form part of the plan must still be managed by the competent authorities, while those tasks which the competent unit is not able to manage and which are regulated by market mechanisms can be jointly managed by the economic association or other units. This not only does not affect the fulfillment of the various planned tasks set down "vertically" from above, but with the organization and coordination of the economic association, constantly expands the business of the various units involved, and constantly increases their interests. This economic form, which is both combined and independent, dispersed and unified, breaks through the situation of entirely independent economic management. Within the association, the various units are in competition, but within the competition they are combined, giving the units motivation to expand and progress. Practice has proved that due to the fact that it upholds correct economic interest principles, the economic association is able to satisfy both the "horizontal" and the "vertical," working in the interests of all levels, bringing advantages to both the state and the collective, and turning the previous strands into a single thread.

The rural economic association is a new thing created in accordance with the needs presented by the development of rural commodity production, and is in itself a process of constant perfection and improvement. From now on, we must continue in our practice to constantly sum up experiences, and make full use of its role in developing rural commodity production.

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'INDUSTRIAL COOPERATIVES'--PRODUCTS OF THE TIMES

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 27-29

[Article by Bi Pingfei [3968 1627 7236]]

[Text] Chinese industrial cooperatives, the activities of which had been suspended for over 30 years, were, with the approval of the State Council, officially revived last November with the opening of the national council. This event attracted the wide attention and interest of friends at home and abroad. This article is intended to present a few personal views on the historical experience of the industrial cooperatives and their nature, tasks, objects, and focus of work.

I

Industrial cooperatives are products of the times. They come into being, they join together with progressive forces at home and abroad, and hold firmly to serving the progress of mankind.

In the winter of 1937, in the early part of the war of resistance against Japanese aggression, our foreign friends Edgar Snow and Rewi Alley, along with our nation's progressive and patriotic figures Hu Yuzhi [5170 1937 0037], Sha Qianli [3097 0578 6849], Zhang Naiqi [4545 0035 0892], Xu Xinliu [1776 2450 0362] and others, started to organize industrial cooperatives in Shanghai. Of the two famous foreign friends, Snow was the author of "Red Star Over China," the first work to report to the world the real situation in Red China. Alley, early in the 1930's was in close contact with Song Qingling, and the underground party group led by Pan Hannian [3382 3352 1628] established a radio transmitter in his residence. After the war of resistance commenced they saw, from the large numbers of refugees and unemployed workers and intellectuals fleeing from the enemy-occupied areas on the coast into the interior, a pressing need to resolve the employment and livelihood problems. They also saw that with the fall of the fairly developed industrial coastal cities, the inland areas were greatly deficient in required industrial products and this posed difficulties in the face of the needs of war. Proceeding from these two aspects, they planned, using the method of cooperatives, to organize the refugees, unemployed workers and technicians and thus assist in production and resolve the employment problem. At the same time, the various types of industrial

goods produced could be used to provide the needs of the army and the people. This plan received warm encouragement and support from Mao Zedong, Zhou Enlai, Bo Gu [0590 0657], Peng Dehuai, He Long, Ye Ting, and other comrades.

In order to raise funds for developing the industrial cooperatives, an industrial cooperative international committee, with Song Qingling as honorary chairman, He Minghua [0149 2494 5478] as chairman, Chen Hansheng [7115 5060 4563] as executive secretary, and Snow and Alley as committee members, was set up in Hong Kong. In those countries which were engaged in the battle against fascism, such as England, the United States, Canada, the Philippines, Australia, New Zealand, and so on, committees in support of the Chinese industrial cooperatives were set up to carry out propaganda and raise funds. Of the funds raised by the Hong Kong industrial cooperative international committee, a considerable amount did not go through the industrial cooperatives' general committee which had been set up in Chongqing, but went directly to assist the Shaanxi-Gansu-Ningxia border area, the New Fourth Army's southern Anhui area and the base areas behind the enemy's lines, which were all under the leadership of our party. This strongly supported the army and the people in the anti-Japanese base areas and strongly hit at the Kuomintang policy of "passively oppose the Japanese and actively oppose the communists."

In the years he engaged in industrial cooperatives activities, Rewi Alley went to Yanan three times and to the New Fourth Army area twice. He left his footprints in Shaanxi-Gansu, Shanxi-Shandong, Sichuan-Xizang, Yunnan-Guizhou, Hunan-Guangxi, Fujian-Guangdong-Jiangxi, and Zhejiang-Anhui. At that time, it was the period of the second KMT-CPC cooperation, and many CPC members, youth from the national salvation movement, and progressive people participated in the industrial cooperative movement. They not only worked hard in organizing production in the rear areas, but also sent technicians and goods to the front lines, to directly support the Eighth Route Army and the New Fourth Army opposing the Japanese. Yanan, in the Shaanxi-Gansu-Ningxia border area and the southern Anhui New Fourth Army area both set up industrial cooperative offices. In the northwest, Shanxi-Shandong, Zhejiang-Anhui, north Guangdong and east river areas, many industrial cooperatives made army uniforms, wove army blankets, collected goods and materials, repaired armaments and so on for the Eighth Route Army, New Fourth Army, and the East River Column. Some of the industrial cooperative organizations actually became stronghold and logistics units for our party and our army. During the struggle for liberation, Shandong established an industrial cooperative office with Xue Muqiao [5641 2550 2890] as head, to mobilize the masses, organize production, and strive for internationally donated medicines, vehicles, and machinery, in order to assist the army and people of the liberated areas. The southern Shandong campaign exterminated the Kuomintang's First Mobile Column and resulted in the capture of many tanks and vehicles. The industrial cooperative office speedily sent engineers and technicians to the battleground to devote their energies to rush-repairs, and contributed to the establishment of our nation's first mechanized unit.

The industrial cooperatives combined production and education, stressing study side by side with practice, and the fine tradition of developing talents. Alley and George He-Ke [0149 0344] at Shandan in Gansu, organized an industrial cooperative training school for training the masses and various local industrial cooperatives organized technical training classes for the masses and cadre training classes. These trained and provided technicians and revolutionary cadres for the country. During the period of struggle, and after the PRC was founded, they actively played a definite positive role on all fronts.

From this we can see, the industrial cooperatives of those years were products of the times, products of the party's anti-Japanese national united front. If, in the latter part of the 1930's, a war of resistance involving all people had not occurred, if there had not been the situation where the KMT and CPC were cooperating for a second time, if there were no pressing wartime needs for military and civilian goods and materials, then there could not have been the flourishing development of the industrial cooperative movement.

## II

The new industrial cooperatives in the new period are, in the same way, products of the times. We might say that those comrades who engaged in the industrial cooperative movement in those years did not do so just in order to arrange a cooperative, but developed a cooperative undertaking of the people as a means of serving, under the historical conditions, the war to resist Japanese aggression and the war of liberation. In this way, today's industrial cooperatives should base themselves on what lies before them, face the future, follow the party line, principles and policies, and, through developing a mass nature cooperative undertaking of the people which is full of vitality and possesses advanced technology, serve the four modernizations.

Cooperative economy is a worldwide economic form which has a fairly long history. It is not an independent economic form. In a capitalist society, it is subsidiary to the capitalist economy. In a new democratic society, not only is it a subsidiary of the socialist economy, which is the dominant component of the new democratic economy, but it also has socialist components itself. In a socialist society, it is even more an economic form based on socialist public ownership and collective ownership by the laboring masses.

Since the 3d Plenary Session of the 11th CPC Central Committee, we have exposed and criticized the "leftist" mistakes. In the fields of economics, politics, culture, and so on, we have restored correct policies, and in a timely way, shifted the point of stress onto socialist modernization. This has opened up new prospects for the stable development of the national economy, including the development of the cooperative economy in the urban and rural areas. If there was not the ideological line of seeking truth from facts and there had not been the correct decisions taken to open to the outside world, invigorate the domestic economy, and maintain the

dominant position of the state-owned economy while developing diversified economic forms, then the revival and development of the industrial cooperatives would not have been possible.

Comrade Deng Xiaoping said: "Our modernization must proceed from China's actual conditions...combining the universal truth of Marxism with our country's specific conditions, following our own road and building socialism with Chinese characteristics. This is our basic conclusion drawn from summing up a long period of historical experience." ("Selected Works of Deng Xiaoping," pp 371, 372) The new industrial cooperatives in the new period must proceed from China's actual conditions, explore their own road and contribute their share toward building socialism with Chinese characteristics. Socialist construction forges ahead through exploration. The new-style industrial cooperative economy is no exception to this.

Comrade Bo Yibo, in his speech at the opening ceremony of the enlarged session of the National Handicraft Producers Cooperative Council (held at the same time as the National Council of the Industrial Cooperatives), fully affirmed the historical position and function of the industrial cooperatives. He stressed that under the new historical conditions, the revival of the industrial cooperatives was "necessary, valuable, and significant" and that they are "a component part in building socialism with Chinese characteristics." In our nation's four modernizations and in developing urban and rural collective industry, "China's industrial cooperatives must play a part." How should they play a part? Something which can be affirmed is that industrial cooperatives must definitely integrate with the situation. Only then will they have vitality and only then will they have wide prospects. If they are limited by old restrictions, and they do not integrate with the situation, their scope will be narrow and their field of action small. In this situation, it will be very difficult to achieve great things.

Our country has a population of 1 billion people, 800 million of whom are peasants. A large population, a small cultivated area, a poor base, a low level of productive forces and uneven development--this is the basic natural condition of our country. In the last few years, under the guidance of the party's policy of readjusting, restructuring, consolidating, and improving, rural reform has taken the lead. The systems of contracted responsibilities on a household basis with payment linked to output, with the "all-round contract system" as the main form, have spread all over the country. In agricultural production, there have been successive years of bountiful harvests, and diversified management has developed quickly. Our nation's rural economy is changing from a self-sufficient or semi-self-sufficient economy toward commodity production on a relatively large scale. Rural social division of labor is becoming more specialized and many specialized households have given up plowing the land. Some engage in forestry, animal husbandry, or fish production. Some have collected in small towns and engaged in small-scale industry, transport, or other service trades. On one hand, they maintain the characteristics of family management, while on the other, they are exploring the road toward combination. This is the inevitable progress of history. It can cause agricultural production to

develop in range and quality and can also work wonders in rationally changing the distribution of our country's population and industry. Precisely as Comrade Bo Yibo said, mechanized production and handicraft production developing together and the use of collective forms to run small factories and develop small towns is not the "ruralization of the cities" but is the "urbanization of the countryside." This is one road to take.

Document No 1 issued in January this year pointed out: Specialized households which take the lead in becoming rich through hard work, take the lead in developing commodity production and take the lead in improving production technology are new things in rural development. We should value and take care of them. The most effective support for specialized households is to supply them with necessary social services and satisfy their needs for information, supply and marketing, and technological development. We must encourage the combination of technology, labor, funds, natural resources, and so on in various forms, and encourage the peasants to invest in various types of enterprises or jointly organize various types of enterprises, especially enterprises of a development nature. Rural industry must appropriately collect in the towns, spurring on cultural, education, and other causes. This will cause the towns to gradually become regional rural economic and cultural centers.

According to the most conservative estimates, in the future over half of our nation's peasants will give up farming but will not leave the rural areas. What will these several hundred million peasants who have given up farming do? How should this be handled? The central authorities have already drawn up a blueprint. The new industrial cooperatives can also take some responsibility for a few of the tasks. They can help in organizing some trades of a development nature, for example the foodstuffs industry, the fodder industry, and the construction and construction materials industries. As specialized households move toward combination, these combinations can take many forms. Cooperative management is an important form. One of the tasks of the industrial cooperatives is, through providing service in various fields and acting according to the circumstances, to urge them onto the road of new forms of cooperative economy.

Enterprises are the basic units of the national economy. They are the life-source of social wealth and financial revenue. When the enterprises are flourishing and developed, the state will also be prosperous and strong. The reform of the urban economy, it appears, should follow the same road as the rural areas followed. That is, make much of the vigor and physical strength of the enterprises and the production enthusiasm of the mental laborers. This will cause some of the enterprises and workers to become prosperous first and this will promote other enterprises and workers to gradually become prosperous. The new industrial cooperatives should also follow this direction.

Our nation is facing the challenge of the world's new technological revolution. Industry is quickly changing from production of small numbers of goods in large quantities to production of a large number of goods in small

quantities. The cooperativization of industry accords with production of a large number of goods in small quantities. It can combine modernized science and technology with production of small quantities, which meets many requirements. In this aspect, the industrial cooperatives should stress bringing into play the advantages of having quick access to urban information, catering to the market, making good omissions and deficiencies, and operating some small-scale cooperative enterprises, which have advanced technology and concentrated know-how, as pilot projects. Afterwards, experiences must be summed up and gradually popularized. The individual economy in the cities has developed quite quickly over the last few years. The industrial cooperatives have a responsibility, in accordance with the objective demands of economic development, to help this develop.

Since the 3d Plenary Session of the 11th CPC Central Committee, our country has implemented the policy of opening to the outside world. In accordance with the principle of equality and mutual benefit, we have expanded economic and technical interchange with the outside world. Fujian and Guangdong have implemented special policies and flexible measures. The special economic zones of Shenzhen, Zhuhai, Shantou, and Xiamen are firmly engaged in construction. Not long ago, the central authorities took the strategic decision to open a further 14 coastal port cities. This is beneficial to utilizing foreign funds, introducing technology and speeding the course of the four modernizations. Historically, the industrial cooperatives received the assistance of many foreign friends and overseas compatriots in terms of funds, goods and materials, technology, talented people, and so on. We should welcome support in these fields. At the same time, we must fully bring advantages into play, and in Overseas Chinese villages, special economic zones and opened zones on the coast, do much in this field of work.

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## HUMAN CHARACTER, SOCIAL CHARACTER, AND CLASS CHARACTER

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 30-33, 41

[Article by Chen Zhishang [7115 1807 1424]]

[Text] How should we correctly understand human, social, and class character and the relations between them? This is a question which we must explore further in propagating and carrying out socialist humanism [ren dao zhu yi 0086 6670 0031 5030].

Is there such a thing as human nature? If we say that human nature is the common character of mankind, that which differentiates us from animals, that quality which all humans possess, then of course it exists. For example, every person (apart from babies and certain people who have lost their normal faculties, such as the old, the sick, the disabled, and the mentally unstable) has the ability to think, reason, and exercise the will and other higher forms of psychology; he uses language, is able to take part in labor and other social practices, and can only exist and develop if he establishes certain contacts and relations with other people, forming a society. However, if we put aside specific sociohistorical conditions and talk in general terms, we cannot possibly solve any real questions. Because on the question of human nature, the difference between Marxism and all other theories of human nature lies not in the fact that it denies that human nature exists, but in the question of how to correctly solve the relationship between human nature and the history of human society, that is, whether we should explain human social development through human nature or explain human nature through social development. On this question Marxism gives an answer categorically different from that of all other theories of human nature. All of these theories, both those in history and modern-day abstract theories, including bourgeois humanism and utopian socialism, support the idea that it is human nature which dictates social development. They start by postulating a common and eternal human nature for all mankind, and then use this unscientific, abstract idea of human nature as a starting point for their explanation of history, putting everything down to the loss or restoration of human nature, and putting forward the opinion that people's natural instincts or reason is the motivating force of progress in human society and the yardstick by which to assess history. The ideal they speak of is to establish a Garden of Eden in which humans are able to enjoy the fulfillment of their natural instincts for liberty,

equality, and fraternity, while the path to this ideal lies in education, morality, religion, and other methods, and even, it is hoped, the appearance of a "benevolent dictator" or world savior, who will improve human nature. Naturally, this cannot help us to achieve a correct understanding of the process of social history.

By contrast, Marxism proposes that sociohistorical development dictates human nature. It starts from the basic premise of historical materialism that social existence dictates social consciousness, accurately maintains that man is primarily an objectively existing material entity, and puts forward the idea that only from people's actual social life, that is, from the material conditions of society on which people rely for their existence and development, from their material activities in society, from the contradictions of certain modes of production, and from material relations of production, can we gain a correct understanding of historical development and explain man, human nature, and the essence of man. In fact, "whether it be the 'inner essence' of human beings, or their 'consciousness of this inner essence,' or their 'reason,' all are products of history." ("Complete Works of Marx and Engels," Vol 3, p 567) Therefore, human nature is primarily something described; "examined historically, human nature is specific, and in different periods of historical development and different social groupings, and due to different social environments, educational training, and psychological traits, human nature has different manifestations and categories." (Hu Qiaomu: "On Humanism and Alienation," p 5) Therefore, as a scientific abstract, human nature represents a unity between common and individual, abstract and specific. We cannot possibly postulate an eternal, abstract human essence in isolation from specific social relationships, nor can we turn cause and effect upside down, turning this essence into the basic motive force behind history, the starting point and basic premise of sociohistorical theory. Of course, this is by no means the same as saying that in the development of social history human nature has a completely passive and negative position. Human nature, which is formed under certain sociohistorical conditions, produces a positive effect on historical development, because people are the product of their sociohistorical environment, but at the same time the creators of that environment.

People's social character may be discussed in comparison to their natural character. Is there such a thing as people's natural character? Of course, because humans are a product of the development of nature; they evolved from animals. Humans are advanced animals, and are bound to retain certain animal traits. Such things as eating, drinking, and sexual activity are part of man's natural character. However, the difference between Marxism and all other philosophies of human nature lies not in its denial of the existence of a natural character, but in its idea of how to correctly understand the relationship between this natural character and man's social character. Is it man's natural character which dictates his essence, or his social character? On this point, Marx likewise categorically differs from all other philosophies. As we have discussed, human nature involves many aspects, but these different aspects by no means all have equal significance in ascertaining the basic essence of man. Marxism

considers that the most important and fundamental part of human nature, that is, the essence of man, lies in productive labor or social character, which is the sum of all his social relations. Meanwhile all theories of human nature created by the bourgeoisie and their exploiting classes fail to recognize this point, or deny it altogether. They sum up human essence either as biological instinct or as some sort of inborn thing, unchanging, abstract, and spiritual, such as love, selfishness, self-interest, self-knowledge, reason, will, the pursuit of happiness, freedom, enjoyment, self-protection (avoiding destruction), and even some sort of psychological instinct other than reason. In fact, these theories are all distortions of human essence. Man's natural human instincts, or what is known as man's natural character, is also different from natural animal instincts, because people have undergone a long period of labor and social life and these instincts have consequently changed and developed into man's social needs. Therefore, there is basically no such thing as natural character which is not subject to some sort of regulation by man's social nature.

How is the relationship between man's social nature and his class nature to be correctly understood? This is another question closely connected with human nature. Some comrades consider that human nature in a class society is class nature, and deny that there exists any "common human nature" outside class nature which exists in different classes. Some comrades, on the other hand, only recognize people's social nature, and do not recognize that class nature is a part of man's basic essence; they say either that class nature is man-made, or added from outside; or that class nature is the "self-alienation" of human nature and man's essence, that it is something which violates and suppresses man's essence, and is therefore totally negative and to be negated. These two viewpoints would appear to be opposite to each other, but are actually both one-sided, since neither have a scientific basis in an understanding of the Marxist theory that people have a class character; therefore, neither can correctly explain the relationship between man's social and class natures.

Historical materialism considers that in order to survive and develop, people must carry out productive labor; it is this which constitutes the most important and essential difference between humans and animals and the most basic practical activity of mankind. At the same time, for people, any social practice, whether it be production or anything else, must be organized in a certain form in order to be carried out. In fact, "in order to carry out production, people will create certain contacts and relations; and only within the scope of these social contacts and relations can people have a relationship with the natural world and carry out production." ("Selected Works of Marx and Engels," Vol 1, p 362) This is an objective inevitability which cannot be changed by human will. Therefore, men are the social animals most worthy of the name and an independent individual in isolation from society simply does not exist. Man's basic essence is essentially neither God-given nor mysterious, nor some abstract thing possessed by each individual, but something created and dictated by his social practice and social relations, and is therefore manifested in the sum total of all his social practice and social relations. For this reason, Marx said that man's basic essence "in its reality is the sum total

of all his social relations." ("Selected Works of Marx and Engels," Vol 1, p 18) Production relations and social relations are both part of man's essence. In fact, in real life, these two essential characteristics of man by no means exist in isolation from each other, but exist in unity. For every single person, his role and status in social practice is dictated directly by his social relations. Therefore if we are genuinely to understand man's basic essence, we can only possibly do so by conducting a scientific analysis of the various social practices and social relations which actually exist between people.

The reason we say "the sum total of social relations" is because man's social life and social practice are multifaceted, as are the contacts and relations between people. Apart from production relations, there are the relations between the sexes, family relationships, relations between colleagues, between students and teachers, and between friends, party relationships in politics, class, race, and national relations, and so on. Therefore, the social nature of man which actually exists also has many levels and aspects, and cannot be simplified. Of course, not all of these relations are equal in importance, neither do they carry the same significance in defining man's basic essence. Material and economic relations (primarily production relations) are the most basic of them, while other political and ideological relations form the superstructure which is built on this basis; man's basic essence is ultimately, therefore, dictated by his status in material economic relations and the main social practices he is involved in. In a society in which people are divided into classes, people's material and economic relations are manifested in class relations, which are the most basic relations between people, and that which dictate all other relations. Class struggle, which is a manifestation of the basic contradictions in a society, also becomes the most important practice in human society. Therefore, in a class society, all people "are nothing more than personifications of economic categories, and the bearers of certain class relations and interests. ...However much an individual transcends these relations in a subjective sense, in a social sense he is the product of these relations." ("Selected Works of Marx and Engels," Vol 2, p 208) Therefore, in this sense, it can be said that a person is always a class person, and there is no such thing as a person who transcends class. By the same reasoning, human nature will inevitably carry a class character. People of different classes have different statuses in socio-economic relations, different relations to the means of production, and different material interests and lifestyles, all of which dictate that they are bound to have different needs, psychologies, thoughts, feelings, habits, characters, ways of doing things, and so on. Class character is the main social manifestation of a class society, and often plays a decisive regulatory role in the other social characteristics of man. This cannot be changed by the will of any person. To say that class nature is something man-made or implanted from outside is not consistent with historical fact, and is therefore mistaken.

Of course, to recognize that people have a class character is not by any means to say that all social relations can be categorized simply as class relations, or that human nature is class nature and nothing more. Lu Xun

criticized this metaphysical prejudice, considering that human nature "certainly has class nature within it." But 'has within it' is not the same as 'consists entirely of.'" ("Three Idle Chats": "The Class Nature of Literature") The reason this is so is first because, as explained above, man's social practice and social relations are many-faceted, and by no means consist solely of class struggle relations; and second, because social class relations are also highly complex, and under historical conditions in which the main social contradictions experience shifts and changes, the various classes of that society will sometimes make certain compromises in the interests of their own survival and development; they may become close or even the same in their interests, and therefore become involved in certain common social practices; and third, because from the point of view of the ideological relations between people, as a reflection of material relations, ideology is bound to have a class character, but this by no means eliminates the possibility that classes will criticize or accept the ideology of others. For example, on the question of the good, the true, and the beautiful, there is always going to be a class nature to it, but at the same time the extent to which the recognition of truth, morality, and literary content reflects class interests is not always the same. The extent is sometimes clear, while at other times not so clear; sometimes the reflection is very direct, at other times more indirect; sometimes it is extremely strong, at other times fairly light; sometimes the recognition even reflects the demands of human progress in different historical periods, and may therefore be accepted by various revolutionary classes in different historical periods. Without doubt, in a class society these aspects are all secondary, partial, and temporary, and cannot possibly dictate the basic essence of man, while ultimately these factors will be subject to regulation by man's class character. But they do exist objectively, and cannot be simply denied. Only by taking as our premise the principle that human nature always carries a class character, and on that basis recognizing the differences and variability in human nature, carrying out specific analysis of specific situations, can we bring our understanding close to objective reality, and avoid oversimplification and one-sidedness.

Some comrades put forward the following question: While it is correct that in a class society people have a class character, we have now established a socialist system, and eliminated the exploiting classes; class conflict is no longer the main contradiction in our society, so can we say people still have a class character? Or, can we say that everyone who exists within our society has the same "common human nature"? This is a new question which we must examine. Certainly, in comparison to the old society, people's social relationships have undergone a fundamental change. Looking at the social structure, the exploiting class as a class has been eliminated, and relations between the people no longer consist of relations between exploiters and exploited, but are now cooperative relations of mutual help between comrades. The people have common ideals, interests, and needs, and are involved in the same experience, that is, turning our country into a modernized, highly democratic, highly civilized, strong socialist nation. Therefore, the fundamental interests of the people are the same. That is to say, in a socialist society, the laboring people (workers, peasants, intellectuals, and other laborers), who account for the vast

majority of the total population, have formed between themselves a new sort of interpersonal social relationship. This new-type socialist material and spiritual relationship is now giving birth to and fostering a new generation of socialist people. In his "Speech at the Yanan Forum on Literature and Art," Comrade Mao Zedong said: "We support the human nature of the proletariat, the human nature of the masses." Therefore, if we say that "common human nature" refers to the human nature of the masses in a socialist society, then this human nature certainly exists; for instance, the party's proposal to train all the people to be socialist new people who have ideals, morals, education, and discipline reflects the basic nature and essence which all the people in a socialist society possess.

However, it must be pointed out that we cannot by any means take this "common human nature" to mean something which humans are born with, or some sort of compound of the human natures of all the various previous classes. The new human nature is primarily the product of socialist relations of production and socialist construction experience, and when compared with the human nature of a class society it has a lot of new features; for example, the "five stresses, four beauties, and three loves" was a manifestation of this new human nature in the aspect of morality and ethics. However, neither can we cut ourselves off from history; it is also the continuation and development of the human nature which existed among the people in the old society. Among our people, the working class was and still is the vanguard and leading strength of the people, and the class nature of the working class is the most progressive manifestation of the human nature of the people in a socialist society. Essentially, the human nature of the people in a socialist society means the expansion and development of the class nature of the working class, because the transition from socialism to communism involves the working class transforming the objective world according to their own outlook. Of course, it ought to be recognized that due to the fact that our socialist system is still in its initial stages, and has not existed for long, it still has many imperfections, so though socialist human nature has already formed in most of the people, only a minority of progressive elements reflect it in its full maturity. The old generation of proletarian revolutionaries, and the millions of progressive people like Lei Feng, represent the models of these socialist new people. With the constant development of socialist construction, the constant rise in the level of material and spiritual civilization of the whole society, and the growth of generation upon generation of socialist new people, the class character of the working class will develop, expand, and rise daily, and will ultimately become the common essence of all the members of society. This is our goal of struggle--communism.

Can we then say that in Chinese society today there has already been formed a "common human nature" possessed by all people alike, or a so-called "people's nature"? No. In China, the vestiges of the exploiting classes still remain, class struggle continues to exist within a certain sphere, and there are still contradictions between ourselves and the enemy. Though there exists among the people the common economic basis of socialist production relations, and a basic unity of interests between people, there are still differences between the systems of ownership by the whole people,

the collective, and the individual respectively; though generally speaking distribution is carried out on the basis of "from each according to his ability, to each according to his work," there are still differences in the form and quantity of people's incomes; in addition, there are still gaps between workers and peasants, city and countryside, and mental labor and physical labor, the abiding ideological influence of the vestiges of the bourgeoisie, the petty bourgeoisie, and feudalism, and various social contradictions and problems. In this way, in our society, not only do there still exist contradictions between the specific interests of the people, but there also occur partial conflicts of interest, some of which may even develop into antagonism. Therefore, the common nature of the people also contains differences, and, as they are manifested in each person, they form a unity between common and individual natures. Therefore, socialist society is still a society in which contradictions exist, it is not a "realm of no differences," and there is no "common human nature" possessed by all people. In fact, our society still contains all sorts of different people: There are the people, and there are enemies; there are progressive fighters with a high level of communist consciousness, and there are degenerates and criminals who commit serious violations of the law; there are those who work wholeheartedly for the common good, and those whose interests are purely selfish; ....so of course there still exist all sorts of different types of human nature. For this reason, the slogan "all things for all people, and for the happiness of the people" is an unrealistic, abstract concept. Long ago, when they wrote the "Manifesto of the Communist Party," Marx and Engels pointed out: "This sort of person does not belong to any class, nor does he exist in the real world, but only in the vague clouds of philosophical illusion." Though these words were written over 130 years ago, they are still applicable to us in our socialist society. We can only take as our starting point the actual social relations which really exist between people, and on that basis support the idea of everything for the people, serving the people, and being responsible for the people.

On the question of human, social, and class character, we must uphold the basic concepts of historical materialism. If we do not start from facts, and carry out specific, historical analysis, but instead understand human and class character subjectively and one-sidedly, metaphysically separating the two and putting them in opposition to each other, or blindly worshipping and pursuing an ideal, original human essence which transcends class and which simply does not exist; if we indiscriminately oppose any notion of class character as soon as we hear the word, and start talking about some kind of "alienation of human nature"; or if we only recognize class character, and as soon as we hear the words human nature, especially the words "common human nature," call it an abstract, bourgeois theory of human nature, then we are failing to adopt an empirical, scientific attitude, and we should oppose and guard against this.

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ATTACH IMPORTANCE TO AND DEVELOP TRADITIONAL CHINESE MEDICINE AND  
TRADITIONAL CHINESE MEDICAL SCIENCE

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[Article by Zhen Zhong [2182 0022]]

[Text] Editor's note: Traditional Chinese medicine and traditional Chinese medical science are a cultural heritage of our country and are an important guarantee for the Chinese nation to thrive and prosper. This article introduces the history and the present situation of traditional Chinese medicine and traditional Chinese medical science and using a theoretical approach, makes a comparatively thorough exposition of the existing problems in their development. Therefore this article is worth reading. For a long time in the past, the leading comrades of medical departments of some areas and units have neglected the development of traditional Chinese medicine and traditional Chinese medical science and there have been quite a lot of problems. Leading comrades must attach importance to and conscientiously make a systematic analysis and study of the existing problems, find out the causes, and adopt energetic measures in order to fundamentally change this kind of situation. We believe that correctly inheriting and developing traditional Chinese medicine and traditional Chinese medical science will contribute to the construction of a socialism with distinctive Chinese characteristics.

Comrade Zhao Ziyang points out: "We should energetically strengthen our medical and public health undertakings. While developing our modern medicine, we must pay attention to developing our country's traditional medicine and overcome the phenomenon of neglecting our country's medical treasure house."

Our country's traditional medicine includes traditional Chinese medicine, traditional Chinese medical science and medicine of minority nationalities (such as those of the Tibetan, Mongol, and Uighur nationalities). What I

shall talk about in this article is mainly the question of traditional Chinese medicine and traditional Chinese medical science. They have made great contributions to the survival and development of our country's various nationalities and have enjoyed the faith of the masses. They are an important force in the medical and public health undertakings of our country.

### Traditional Chinese Medicine and Traditional Chinese Medical Science Constitute a Science To Prevent and Cure Disease

Traditional Chinese medicine and traditional Chinese medical science have several thousand years of history. Over 100 years ago, as Western medical science was passed on to our country, traditional Chinese medicine and traditional Chinese medical science suffered for a time from criticism and discrimination. In 1929, the KMT government issued a public decree banning traditional Chinese medicines and traditional Chinese medical science and hindered their development, but they were never suffocated or eliminated. The basic reason is simply that they are not feudal and superstitious heresy, but a science for preventing and curing disease.

Traditional Chinese medicine and traditional Chinese medical science make up a system of knowledge concerning phenomena of life and pathology, and are the experiences which the various nationalities of our country have summed up through their struggles against disease over several thousand years. Chinese medical science possesses a unique and systematic theory. This theory was continuously enriched and developed by the medical scientists of past dynasties through their practice in preventing and curing disease and through the summing up of the wisdom of the masses. As far back as in the Warring States Period, our country's earliest extant monograph, entitled "Emperor Huang's Internal Classics" was written. This monumental book includes various kinds of expositions, as many as 162 pieces of writing on ways to keep fit and prevent disease, on human beings and nature, on states of internal organs, on main and collateral channels, on causes of disease and interpretation of causes, on diagnostic methods, on rules for curing disease, on traditional Chinese medicines, on prescriptions and acupuncture and moxibustion, on massage, and so forth. This monumental book laid the theoretical foundation of Chinese medical science. "Shennong's Classical Work on Traditional Chinese Medicine" written 1,800 years ago, sums up the knowledge of *materia medica* before the Han Dynasty and is the earliest monograph on *materia medica* in our country. The book "On Typhoid Fever and Other Miscellaneous Diseases," written by Zhang Zhongjing, indicates the maturity of clinical therapeutics, the establishment of the principle of the dialectical method of treatment, and the further perfection of the theoretical system of traditional Chinese medicine and traditional Chinese medical science. Since the Han Dynasty, the medical scientists of the later dynasties also continuously summed up new experiences from various angles, formed a school of learning which had both theoretical and therapeutical distinctive features. They substantiated and enriched the contents of Chinese medical science and made great contributions to safeguarding the health of the masses of people.

Engels pointed out: "No matter what attitude a natural scientist adopts, he is also dominated by philosophy." ("Collected Works of Marx and Engels," Vol 20, p 552) In the process of their emergence and development, traditional Chinese medicine and traditional Chinese medical science were guided by naive materialism and spontaneous dialectics. Their theoretical viewpoints and therapeutic methods contain a profound philosophic theory and shine with the radiance of the ideas of materialism and dialectics. The unified and organic conception of the human body, the viewing of its various parts as forming an organic whole, and the application of dialectics in therapy are the theoretical basis of traditional Chinese medicine and medical science. This theory holds that a human being is a component part of the natural world and has close relations with the natural world. Therefore, all the physiology and pathology of human beings, without exception, is influenced by the natural environment. In making diagnoses and giving treatment, traditional Chinese medicine and traditional Chinese medical science always pay attention to the various factors regarding the patient, which include location, season, environment, living conditions, and so forth, and lay stress on the idea that the human body is a coordinated entity with five big functional systems, which have liver, heart, spleen, lungs, and kidneys as their cores. The internal organs, including the heart, liver, spleen, lungs, kidneys, stomach, gall bladder, intestines, and bladder are physiologically mutually related to the tissues of the skin, flesh, arteries, veins, muscles, bones, and so forth, which form the shape of a human body, and also physiologically mutually related to the five sense organs of mouth, eyes, ears, nose, and tongue, and to the nine apertures. They affect one another when a disease develops. Imbalance in the functions of internal organs may give rise to specific reactions, through the main and collateral channels, in the surface tissues of the body or in the organs; conversely, if pathological changes occur in the surface tissues of the body or in the organs, it is also possible to affect, through the main and collateral channels, the internal organs. Because of this understanding, when treating a disease, doctors of traditional Chinese medicine always determine the pathological changes in the internal organs of the body through examining the external changes in the five sense organs, in shape, color, pulse, and so forth. For example, as "the liver is related to the eyes," the doctors of traditional Chinese medicine often use the methods of enriching the liver and blood to cure eye diseases; as "the kidneys mainly control the storage of seminal fluid," and "are related to the ears," they may use the method of giving kidney tonics in order to cure such diseases as seminal emission, loss of hair, deafness, and so forth. When doctors of traditional Chinese medicine apply this kind of theory and understanding to guide their clinical treatment, the scientific nature of their therapy is obvious. In accordance with this kind of organic conception of the human body, traditional Chinese medicine emphasizes the application of dialectics in treating disease. By "dialectics" is precisely meant that we make an analysis of various signs and arrive at a judgment. The various signs are probed into and known through the four methods of diagnosis--observation, auscultation and olfaction, interrogation, and pulse feeling and palpation; "in terms of treatment," it is a matter of arranging a therapeutic scheme in accordance with the results of applying "dialectics." Traditional Chinese medicine and traditional

Chinese medical science acknowledge the particular nature of a patient, hold that the method of treatment varies from person to person, from time to time, and from place to place, and that we should not regard disease in a generalized or isolated way. Therefore, there are different therapeutic methods, such as "different treatments for the same illness," "the same treatment for different illnesses," "the mere alleviation of the symptoms of an emergency case," "the effecting of a permanent cure in slow-progressing illness." Take the common cold for example. Its general symptoms are fever, aversion to cold, headache, muscular soreness, a surface pulse which can be felt when touched only lightly, and so forth, and the illness is an external one. However, owing to the differences in the causative factors of an illness and the differences in the reactions of human body, we may also differentiate, in the common cold, the different signs and symptoms caused by cold factors from those caused by hot factors; and in treatment, there are different methods of using bitter and warm-nature drugs to induce sweating and of using bitter and cold-nature drugs to promote diaphoresis. It is thus clear that the application of dialectics in treatment in traditional Chinese medicine and traditional Chinese medical science is not simply aimed at treating symptoms--at dealing with sputum if there is sputum, bringing down a fever if there is fever, curing the head if there is headache, curing the legs if there is pain in the legs. It is also not using one prescription and one drug to cure all illness, in the manner of disregarding what is primary and what is secondary, and of not distinguishing between the different stages of an illness. These are precisely the outstanding characteristics and advantages of traditional Chinese medicine and traditional Chinese medical science.

We make a diagnosis and give treatment in accordance with "the four methods of diagnosis," "the eight principal syndromes," and the theory of applying dialectics in treatment and, by so doing, we can really achieve the desired results. Over the last several thousand years, traditional Chinese medicine and traditional Chinese medical science have provided a guarantee for the people of various nationalities in our country to thrive and prosper. This is the most eloquent evidence of the scientific nature of traditional Chinese medicine and traditional Chinese medical science.

The opposite of science is theology and superstition. Traditional Chinese medicine and traditional Chinese medical science have developed through waging struggles against wizards, gods, and superstition. The section of "Other Expositions on the Five Internal Organs" in "Common Interrogation" of "Emperor Huang's Internal Classics" set down that: "It is impossible to talk about five virtues with people who restrain themselves to ghosts and gods." In other words, with people who have blind faith in ghosts and gods, we cannot discuss the advanced principles of medical science. Again according to a report in "Records of the Historian," the famous doctor, Bianque, of the Warring States Period, regarded the behavior of "believing wizards but not believing doctors" as one of the "six incurable diseases." This shows the very distinct atheistic viewpoint of traditional Chinese medicine and traditional Chinese medical science. Some people do not understand traditional Chinese medicine and traditional Chinese medical science. When they see that everywhere in the theory, there are "five

motions and six vital energies," and "the positive and negative forces in nature and the five elements," they think that this theory has something to do with the theories of geomancers and fortune-tellers and even with Zou Yan's theory of the "cycle of five virtues." When they hear that it stresses the integrated concept of the "mutual influence between nature and people," they think that it is the same as the theory of the "interaction between heaven and humanity" invented by Dong Zhongshu in Western Han Dynasty. From the above, they draw the erroneous conclusion that Chinese traditional medicine and medical science "uphold superstition and are not scientific." The "positive and negative forces and the five elements" are concepts of ancient philosophy. Traditional Chinese medical science uses these concepts to explain the physiological, pathological, and other relations between various organs of the human body. This has nothing at all to do with the practice of Zou Yan, who applied the theory of positive and negative forces and the five elements to human society and drew wrong conclusions, by false analogy with the evolution of human history and the rise and fall of dynasties. As for the view upheld by traditional Chinese medical science on the "mutual influence between nature and people," traditional Chinese medical science uses it to stress that the human race and nature are an integrated whole. On the other hand, what Dong Zhongshu upheld in his theory of "interaction between heaven and humanity" was theological teleology, which drew a false analogy between the doctrines of God and the events of human societies, advocated that "God is the source of the principles of human society" and that a monarch's power too was granted by God, and regarded the feudal system of rule as the "will of God." Therefore, there are no similarities between these two theories.

What we should also mention is that we should draw a strict demarcation line between this scientific system of Chinese medicine and the fraudulent practice of witches. Those who call themselves "doctors of traditional Chinese medicine" but who are solely engaged in fraudulent activities of pretending to be gods and ghosts, are not doctors of Chinese medicine at all. Their malpractices will not harm the scientific value of traditional Chinese medicine.

Of course, by affirming that traditional Chinese medical science is a science for preventing and curing illnesses by no means implies that this science is perfect and free from any defects. As a cultural legacy, traditional Chinese medical science is unavoidably restricted by the level of understanding and the diagnostic means of the time, and therefore has its historical limitations. Moreover, in traditional Chinese medical science, there are indeed some questions that cannot yet be clearly explained. We still cannot give scientific explanations and proofs of some methods of treatment which have indeed been proved to be satisfactorily effective in treating some diseases. On some questions, even specialists differ from one another in their understanding. There is nothing surprising in these phenomena. There is no limit to development and changes in the objective world, but there are limits to the development of the capacity of human understanding. In the process of transforming the objective world, the people's understanding often lags behind reality and the theory of the human race often lags behind practice. Because of the restrictions of

various conditions, it often takes a very long time and a tortuous process for us to obtain a correct understanding or to draw a correct conclusion in science. The reason there have not yet been clear explanations of some questions in traditional Chinese medical science lies only in the relation between understanding and practice. This can by no means be regarded as grounds to doubt the scientific nature of traditional Chinese medical science. Traditional Chinese medical science and modern medical science each has its own unique history of development and theoretical system. We cannot simply use the yardstick of modern medical science to evaluate traditional Chinese medical science, and even less should we use certain principles or data of modern medical science as the only standards by which to judge whether traditional Chinese medical science is scientific in nature.

#### Position and Role of Traditional Chinese Medicine and Traditional Chinese Medical Science

Traditional Chinese medicine and traditional Chinese medical science have a long history of development. As far back as over 3,000 years ago, there were records of diseases and medicines in the inscriptions on bones and tortoise shells in the Shang Dynasty. In the Zhou Dynasty, there emerged Shiyi (dietitians), Jiyi (doctors of internal medicine), Yangyi (surgeons), and other specialist doctors. In the 2d century, at the end of the Eastern Han Dynasty, the well-known expert in medical science Hua Tuo performed laparotomies under general anesthesia. This was an outstanding innovation in the history of world medicine. He also invented the "exercise of five kinds of animals"--an athletic exercise that imitates the movements of tigers, deer, apes, bears, and birds--and put forth the idea of combining physical exercise and sanitation to prevent illness scientifically. This was also an innovation idea in the world. "On the Appropriateness of Other Methods" of the chapter "Common Interrogation" in the book "Emperor Huang's Internal Classics" also mentions the arguments on using massage to prevent diseases. Among the cultural relics discovered at the No 3 tomb at Mawangdui, Changsha, there is a picture showing the ancient methods of using sports to cure diseases. In "Shennong's Classical Work on Traditional Chinese Medicine," written 1,800 years ago, there are passages on using the rhizome of Chinese goldthread to treat dysentery, on using the root of antipyretic dichora to treat malaria, on using Chinese ephedra to treat bronchial asthma, and on using marine algae to treat goiter. All these medicines have indeed been proved effective in treating these diseases. These are the earliest records of these medicines in the world. The royal medical department in the Tang Dynasty was the earliest medical institute in the world and the "Book on Herbal Medicines of the Tang Dynasty" was the earliest pharmacopoeia, edited under the sponsorship of the government. The Song Dynasty book "Records of the Remedyng of Misjudged Cases" was the earliest book in the world on forensic medicine. This book was written more than 350 years earlier than the earliest European forensic medical books. Li Shizhen, a medical scientist of the Ming Dynasty, edited a monumental book on *materia medica* entitled "Compendium of Materia Medica," which not only enriched traditional Chinese medical science, but also made outstanding contributions to the development of botany, biology, and other sciences. About the 11th century, China began to use the method of human smallpox vaccination and thus became

the inventor of smallpox vaccination, and the forerunner in the science of immunization. In the long history of traditional Chinese medicine and traditional Chinese medical science, we have accumulated diversified methods of treatment. In addition to the main methods of prescription and acupuncture, there are the diverse methods of cupping, smoking, dressing, yoga, massage, spine pinching, palm cutting, neck, chest, or back scraping, wax dressing, social dressing, and bathing.

In the past, traditional Chinese medicine and traditional Chinese medical science had a great impact on the development of medicine and medical science in the world. Our country's smallpox vaccination method was passed on to Russia, Turkey, and Britain through Japan and Korea. In the Tang Dynasty, the medicine and medical science of our country were passed on to many European and Asian countries and our country became a medical center for Europe and Asia at that time. The book "Compendium of Materia Medica" has been translated into Latin, Korean, Japanese, Russian, English, French, and many other languages, and has been read by people all over the world. During the more than 30 years since the founding of the PRC, the ancient medicine and medical science have been revitalized and have scored many new achievements. They have attracted the attention of many countries in the world and, as a result, a "rush for Chinese medicine" has emerged in quite a few countries. These countries believe in traditional Chinese medicine and traditional Chinese medical science, have sent specialists, scholars, and students to make inspections and to study in China, and have set up various kinds of special institutions to research traditional Chinese medicine and traditional Chinese medical science.

During the process of socialist modernization, medical services for the 1 billion people is an issue of great significance. In this area, traditional Chinese medicine and traditional Chinese medical science play an important role.

Having both modern and traditional medicine and medical science is an important characteristic of our country's medical and public health undertakings. Ours is a large socialist country with a vast territory, a huge population, of which 80 percent are peasants, and relatively backward economy, science, and culture. Though modern medicine has already developed to a relatively great extent in our urban and rural areas, the scope of the influence and application of traditional Chinese medicine and medical science is still very wide. In our vast rural areas with 800 million peasants, people are used to using the simple, convenient, effective, and cheap traditional prescriptions in treating and preventing diseases. Therefore, in considering the development of our medical undertakings, we should not only pay attention to developing modern medicine, but should also pay full attention to developing traditional medicine. We should give play to initiative in both aspects of the work and develop a medical and public health undertaking with Chinese characteristics.

Our country's traditional medicine and medical science, those of the Han nationality or of other nationalities, have all been gradually developed in the light of the national conditions, level of development of

production, social conditions, lifestyle, medical resources, and other characteristics of those nationalities.

They have their own theoretical systems and rich experience of medical treatment which have struck deep roots among the masses of people. Correctly using Chinese herbal medicine to treat diseases will bring about reliable effects and few side-effects and is beneficial to restoring health. This is already known to everyone. People particularly appreciate the principle of Chinese medical science of "treating people before they become ill" by means of preventing disease and keeping fit. Much practice has proved that traditional Chinese medicine is not only surprisingly effective in treating many chronic diseases, but can also cure quite a few acute diseases.

Combining traditional Chinese medicine and Western medicine in preventing and treating disease and carrying out theoretical research in this field causes each type of medicine to learn from the strong points of the other, to offset its weak points, and to promote the other's development, and causes both to improve. The achievements that we have scored in researching traditional Chinese medicine and in carrying out the work of combining Chinese and Western medicine show that in using Western medicine to treat some diseases, the simultaneous application of some principles and methods of traditional Chinese medicine will be more effective than the application of Western medicine alone. For example, in treating fractures, we have absorbed the strong points of some methods of treatment of traditional Chinese medicine and developed a new method of using small splints to fix bones. This speeds up the cure and makes possible a better recovery of the function of the bones. As another example, we have combined traditional Chinese and Western methods in diagnosing acute abdominal diseases. In so doing, we have absorbed the dialectical theory and methods of treatment of Chinese medical science and have enabled two-thirds of the patients with acute abdominal diseases to avoid suffering operations. The good effects of this practice are known to everyone. As a third example, in the past, we mainly used the method of "hunger treatment" to treat acute pancreatitis. The result was that the patients felt weak for a long time after they were cured. Now we use the methods of Chinese medicines to "smooth the liver and unblock the breath" and to "remove poison from the lower part" and thus effect a quick and satisfactory cure and enable the patients to recover quickly.

#### Methods and Ways To Speed Up the Development of Traditional Chinese Medicine and Medical Science

Comrade Mao Zedong pointed out: "China's medical science is a great treasure house and we should strive to dig into it and improve it." ("Selected Letters of Mao Zedong: Letter to Yang Shangkun," p 545) Continuing and developing the legacy of the medical science of our motherland has been an established policy of our party and state. Of course, we cannot talk about development if we fail to conscientiously inherit the legacy or if we fail to understand the true essence of traditional Chinese medical science. On the other hand, if we stand still and refuse to make

progress and if we refuse to accept new things and think that there should not be any change in traditional Chinese medicine, it will be impossible for traditional Chinese medicine and medical science to develop or for us to really inherit this legacy. Inheriting and developing should promote one another. However, it is necessary at present to lay particular emphasis on the work of inheritance. This is because of the longstanding tendency to neglect traditional Chinese medicine. There has been a serious shortage of successors in the traditional Chinese medical undertaking. At the moment, there is a large number of ancient books and documents that need sorting out. The rich experience and skill of some old doctors urgently need to be learned and inherited. In view of this situation, we must make great efforts in the work of inheritance. If we allow this precious legacy to be lost, we will not only hinder our socialist modernization, but will also do a disservice to our ancestors and to posterity.

Just as we treat any other cultural legacy, in inheriting traditional Chinese medicine and medical science we should analyze and criticize them, select the essence, and discard the dross. We should never indiscriminately inherit everything without criticizing it. However, we must adopt a prudent attitude. For historical reasons, some Chinese medical theory adopts the method of argument of ancient philosophy and some of it seems to lack convincing force. We should adopt a scientific attitude to make an analysis of this, and be good at seeing through the surface mist and understanding the rational essence. We should never rashly negate it when we meet some exposition that is not to our taste.

In developing traditional Chinese medicine and medical science, we must preserve and develop their distinctive features. This is a key issue. There are many aspects to the distinctive features of traditional Chinese medicine and medical science, but the most essential aspect is its theoretical core, that is, its integrated concept and principle of dialectical diagnosis and treatment. It regards as its basic starting point the readjustment of the integrated functioning of the human body. It stresses the differences between individuals, between locations, and between times. In giving treatment, it always adheres to the characteristic of giving different treatments in the light of the different conditions relating to the patient, the place, and the time. If we are divorced from the distinctive features of traditional Chinese medicine and medical science in "developing" them, we will attend to trifles and neglect the essentials and will thus be unable to facilitate their development. However, this does not mean that they should always stop at the level of applying "three fingers and one pillow." On the contrary, we uphold that under the condition of adhering to their basic theoretical principles, we should make efforts to learn and apply advanced science and technology and thus enable them to develop.

The training of people of talent is an outstanding problem in developing traditional Chinese medicine and medical science at present. We should develop, in the light of the distinctive features of Chinese medicine, the educational undertaking related to Chinese medicines and train high-level traditional Chinese medical personnel.

In training traditional Chinese medical personnel, we should adopt diversified methods and ways. 1) We should develop regular education. We should satisfactorily run the existing traditional Chinese medical institutes and improve their quality of teaching. Where conditions are ripe, we can make preparations for the establishment of traditional Chinese medical vocational schools in order to speed up the training of specialized personnel. 2) We should strengthen the development of the hospitals attached to traditional Chinese medical colleges. At present, these hospitals are generally small-scale, lack beds, are poorly equipped and are far from being able to meet the demands of clinical education, and are therefore a weak link in our higher traditional Chinese medical education. 3) We should pay attention to the work of doctors teaching apprentices. This is a traditional method of training doctors of Chinese herbal medicine. It is a method determined by the academic characteristics of traditional Chinese medicine. Many effective methods of treatment in traditional Chinese medicine depend on the experience and operational techniques of individual doctors. Some of them can be passed on to students orally, others are difficult to teach through verbal explanation and can only be learned through working under a teacher for a long time in order to watch how the teacher does it and repeatedly practice it. Many of the living well-known old doctors who have rich experience in giving clinical treatment and who have deep mastery of the theory were trained in this manner. In order to speed up the training of personnel, we should conscientiously study and sum up this kind of traditional experience in order to enrich and improve our regular traditional Chinese medical education. 4) We should have refresher and correspondence education in order to continuously heighten the professional competence of the traditional Chinese medical personnel at various levels. In addition, we should strengthen the development of the Chinese medicine hospitals at various levels. In the counties where conditions are ripe, we should set up Chinese medicine hospitals, while in the counties where for the moment the necessary conditions do not exist, we should first set up Chinese medicine clinics and add Chinese medicine hospital beds to integrated hospitals.

Another characteristic of traditional Chinese medicine and medical science is its comprehensiveness and the vast range of its connections. It is related to astronomy, geography, biology, chemistry, philosophy, psychology, engineering technology, and other areas of learning. It has many scientific research topics and is faced with complicated and arduous tasks. In doing the scientific research work to inherit and develop traditional Chinese medical science, we should not only conscientiously study and sort out ancient books and documents about Chinese medicine and sum up clinical experience, but should also draw support from the achievements and technological means of modern philosophy, modern social sciences, and modern natural sciences (including modern medical science). We should give full play to the strength of traditional Chinese, Western, and integrated Chinese and Western medical personnel and strengthen their cooperation with philosophy, social science, and various kinds of natural science workers. Only by so doing can we achieve very satisfactory results. Combining traditional Chinese and Western medicine is an important channel for developing our country's medical science. We should vigorously support it, persist in

practicing it, and continuously sum up our experience and improve our methods in doing it.

In order to develop the traditional Chinese medical undertaking, we should draw up, in the light of the actual demands of the masses of people, long-term plans, and make short-term arrangements for the development of the medical services, education, and scientific research in this field. We should include the development of this undertaking in our national economic plans, earnestly adopt measures, and correct the practice of neglecting the traditional Chinese medical undertaking, in order to ensure the planned and proportionate development of this undertaking.

Improving the administration and management of Chinese herbal medicine is also a vitally important problem in developing this undertaking. At present, the number of varieties of Chinese herbal medicine in short supply has increased and there is a serious shortage of, and serious incompetence among, the successors to the work of producing, purchasing, processing, and selling Chinese herbal medicine. As a result, there is a shortage of herbal medicine resources and a failure to ensure the quality of these medicines. This should draw the intense attention of relevant comrades.

In developing the traditional Chinese medical undertaking, we should unify our policies and encourage academic debate. For example, preserving the characteristics of traditional Chinese medicine and medical science is a principle that we must adhere to in inheriting and developing the traditional Chinese medical undertaking under the historical condition that our country has both traditional and Western medicine. If we fail to preserve these characteristics, it will become pointless to develop this undertaking. Concerning this issue of principle and policy, we must unify our thoughts, understanding, and actions. For this purpose, we must guarantee the implementation of the policies, measures, and arrangements that we have made concerning labor, materials, and financial resources. We should not change these policies, measures, and arrangements at will. On the other hand, concerning the problems related to academic understanding in this field, we should allow people to carry out full discussion and to hold different opinions. By so doing, we will not only help to enliven the academic atmosphere in traditional Chinese medical circles, but will also deepen people's understanding of the relevant principles and policies and promote the implementation of the party's policies toward this undertaking.

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## YOUTHS AND POLITICS

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 39-41

[Article by Gan Feng [2413 1496]]

[Text] After experiencing the 10 years of turmoil in the "Great Cultural Revolution," some comrades have a so-called "strong aversion" to politics. They are reluctant to discuss politics and unwilling to view things from a political point of view. In particular, after talking with some young comrades, I find from what they say that they have a prejudice against politics. Hearing something about politics, they say in disgust: "Politics is just empty talk. It is no use talking about politics. We can obtain real benefits only from professional work, technology, and money." Some of them even think that the further they distance themselves from politics, the better. Whenever I meet these comrades, I feel as if a heavy stone is pressing on my heart.

Is politics just empty talk? Through the lingering time of old China, why were the laboring people kept suffering? Why did they live a miserable life? Where did the fruits of their labor go? When China was under the cruel oppression of the imperialists, our beautiful land was torn to shreds. Why did our students roam about? Why couldn't they place their desks in a safe and proper place? Under the leadership of the CPC, the heroic sons and daughters of the Chinese people advanced wave upon wave, and stained the soil of the motherland with their blood. In such a way we won the victory of the democratic revolution. We are now promoting the building of our new socialist life. How can we forget all this?

During the 10 years of turmoil, Lin Biao and the "gang of four" exercised feudal and fascist dictatorship to willfully undermine our country. All this is still fresh in our memory. Was this an "empty" thing rather than true sabotage? At that time anyone who dared to carry out vocational and technical work was bound to suffer. Without sweeping these evil creatures onto the rubbish heap of history, can our country have a bright prospect?

At present our country is becoming more prosperous every day. Under the situation of stability and prosperity, we study, carry out production, and work at our own posts. Our living standard is improving day by day. Shouldn't we attribute all this to the role of the line, guiding principles,

and policies of the party adopted since the 3d Plenary Session of the 11th CPC Central Committee? Hasn't all this resulted from our efforts to uphold the four basic principles, and to oppose the "left" and right mistakes?

At all times and in all countries, politics, whether reactionary or revolutionary, and whether feudal, capitalist, or socialist, has great influence on the society and various aspects of social life. It might hamper the progress of history and cause the people to suffer, or promote the development of society and bring happiness to the people. How can we say that politics is empty talk and is useless?

Youths are the future of the motherland. They should show concern for the future and destiny of the motherland, because this is where their basic and vital interests lie. Revolutionaries of the older generation have laid a foundation for the existence and development of our country and nation, and have opened up the paths of advance. They have and are continuing to do the work which they ought to do. Today the tremendous tasks of our times have been shifted to our youths. What should we do? Should we ignore or not seriously think about this important issue? This is politics!

Some youths curl their lips when they hear anything about politics. They even dislike the term "politics." This is a morbid ideological and psychological state. This runs counter to the new look of our times and revolutionary spirit of youths who seek truth, have great ideals in their hearts, and show concern for the future of our motherland. The occurrence of this situation is connected with some people in the society who wrongly sum up the experience of the "Great Cultural Revolution." During the "Great Cultural Revolution," some youths were deceived and were drawn into a whirlpool of rebellion. They neglected their studies and their ideals were sullied. Their youthfulness was tainted with various kinds of dirt. Without making any analysis, they regard politics as a "black hole" on the basis of their previous old experience. They now think that it is better for them to stand apart from politics. Actually, such a state of mind and a mental outlook demonstrate that they have not yet completely negated the "Great Cultural Revolution." Those comrades who hold such views have not yet realized that the "Great Cultural Revolution" was internal disorder introduced by a comrade who committed mistakes and was utilized by the counterrevolutionary cliques. It inflicted great calamities on our party and country and people of various nationalities. Due to the fact that they use the viewpoints of historical idealism and agnosticism to view things rather than using the viewpoints of historical materialism to observe and analyze them in order to draw a necessary lesson from them, they jump to the conclusion that politics is an unfathomable and dangerous thing. Therefore, they become ideologically inactive.

During the "Great Cultural Revolution," youths had different kinds of experiences, ideological understanding, and performance due to the historical conditions and complicated factors at that time. They followed a tortuous course. Many of them have changed a great deal ideologically. All this cannot be separated from politics. At the beginning of the "Great

Cultural Revolution," some of our youths were drawn into a whirlpool of rebellion, but they were later awakened. Some of them hated the perverse acts of Lin Biao and the "gang of four." Of course, such awakening and consciousness did not result from the act of "standing apart" from politics. It was the result of understanding in varying degrees the differences between revolutionary politics and the counterrevolutionary politics of Lin Biao and the "gang of four." A very small number of youths followed Lin Biao and the "gang of four" and committed mistakes of this or that kind. This was because they were too distant from revolutionary politics, rather than being "too close" to politics. Therefore, they were drawn into the whirlpool of the counterrevolutionary politics of Lin Biao and the "gang of four." Around the "5 April" movement, the broad masses of youths took an active part in the struggle against the "gang of four" and plunged into the mighty torrent of the revolution. Was this using revolutionary politics to oppose counterrevolutionary politics of the "gang of four"? Didn't this manifest the awakening of our times? Reactionary politics is dark, whereas revolutionary politics is bright and just. They are entirely different. With regard to reactionary politics, we should overthrow it (this actually means that we are involved in revolutionary politics). With regard to revolutionary politics, we should support and be close to it. This is the correct attitude we should take.

Some other comrades treat politics coldly. This is because they fail to take a correct attitude toward the fact that the party work style and the general mood of society have not yet been completely improved, and they lack confidence in our future. It is incorrect for them to do so. During the 10 years of internal disorder, the fine work style of our party and the general mood of our society were severely undermined. It is a common desire of the entire party and people throughout the country to effect a fundamental turn for the better in the party work style and the general mood of society. Unhealthy tendencies of every description run counter to the principles and line of our party. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has made great efforts to solve this problem. Rectifying party work style and effecting a fundamental turn for the better in the party work style is one of the important tasks to be accomplished in the party rectification. It is appropriate to say that our party work style is being markedly improved. This is obvious to all. We need a process in order to heal the wounds of our country left by Lin Biao and the "gang of four." This is also the case with the improvement of the general mood of the society. Why should we lose confidence in our future because some problems have not yet been solved in a certain short period? Some comrades hate unhealthy tendencies of every description. This means that they are concerned with party building, the present party rectification, the future of our country, and the present-day construction. Briefly, they show concern for politics and take active measures to fight unhealthy tendencies. If we take a passive attitude of standing apart from politics to correct unhealthy tendencies, we will not be able to solve the problems of these unhealthy tendencies. On the contrary, they will spread unchecked.

At present our country has entered a new period of historical development. Since the 3d Plenary Session of the 11th CPC Central Committee, our party

has reestablished the Marxist line, brought order out of chaos, brought about a great historical change, and worked out plans of struggle that are viable to the end of this century. It is now further eliminating the "leftist" ideological influence, overcoming various obstacles, resolutely carrying out reforms of various aspects, and working hard to create a new situation in socialist modernization. All these are the present-day socialist politics. Is it right for us to do the above work? I believe that most people favor and support what we are now doing. However, when doing this work, in the process of reforming the objective world we should on no account forget to reform our subjective world. Our understanding of things should not remain at the level of the period before the drive of bringing order out of chaos. We should not use the old viewpoints and experience formed during the 10 years of internal disorder under the guidance of the "leftist" ideology to view various things today. In the process of emancipating the minds, bringing order out of chaos, and creating a new situation in socialist modernization, the "leftist" thinking and capitalist liberalization should, of course, be criticized. We should adopt a correct attitude toward this. If we fail to adapt our thinking to the objective reality, it is difficult for us to correctly understand and keep abreast with the pulse of our times. In such a way we will possibly deviate from the requirements of historical development in various aspects, so that we will commit mistakes of this or that kind in both ideology and action.

Some young comrades always like to build a wall to separate themselves from politics. They like to carry out vocational and technical work behind closed doors, or build their own "cozy nests." Our party advocates efforts to gain professional and technical proficiency. We oppose the policy of "hooligans and illiteracy" of trampling on knowledge and destroying culture, which was preached by Lin Biao and the "gang of four" during the 10 years of internal disorder. To realize socialist modernization, we should study science and technology and gain professional proficiency. However, we should soberly realize that if we deviate from the four basic principles and the line, guiding principles, and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee, if we slacken our efforts to do ideological and political work rather than strengthening it under the new historical conditions, and if we fail to fight against the "leftist" and rightist ideological tendencies, and to resolutely carry out reforms on all fronts, it is impossible for us to realize the four modernizations. Socialist politics is like sunlight which is warm and affable to the people. It is shining over our study, production, work, and life so that we can grow healthily. Those hostile elements who are staying hidden in a dark corner to undermine the socialist cause are truly terrifying.

In the social life of mankind, people are now allowed to take a nihilistic attitude toward politics as long as class struggle still exists. Under the present conditions, the main problem is still whether we want socialist ideology and politics or whether we want the ideology and politics of other classes. When people are trying to stand apart from the proletarian politics, bourgeois politics will stealthily knock at the doors of their hearts. They are bound to be influenced by the bourgeois ideology and politics.

Socialist politics represents and protects the interests of the people, and reflects the lofty historical missions and requirements of our times. With regard to socialist politics, we should be close to it. We should study more politics and train ourselves well so that we can politically grow better and faster. "Not to have a correct political point of view is like having no soul." We should always remember the teaching of Comrade Mao Zedong.

Youths are the present and future of the motherland. To enable the ship of our times to ride the waves forward, the younger generation should learn to master the rudder of the ship--socialist politics.

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GREAT ACHIEVEMENTS IN ECONOMIC AND SOCIAL DEVELOPMENT IN THE 35 YEARS  
FOLLOWING THE FOUNDING OF THE PRC (STATISTICAL DATA, PART VI)

Beijing RED FLAG in Chinese No 16, 16 Aug 84 p 42

[Article by the State Statistical Bureau]

[Text] Great Strides in Industrial Production

	Unit	1949	1978	1983	1983 figure as a multiple of 1949 figure	Percentage for 1983 versus 1978
I. Original fixed assets value of industrial enterprises	100 million yuan	124	3,478	5,379	43.4	154.7
II. Gross industrial output value	100 million yuan	140	4,067	6,088	57.3	146.1
Light industry	100 million yuan	103	1,753	2,954	35.4	170.1
Heavy industry	100 million yuan	37	2,314	3,134	117.7	128.4
III. Output of major products						
Cloth	100 million meters	18.9	110.3	148.8	7.9	134.9
Machine-made paper and paperboard	10,000 tons	11	439	661	60.1	150.6

	<u>Unit</u>	<u>1949</u>	<u>1978</u>	<u>1983</u>	<u>1983 figure as a multiple of 1949 figure</u>	<u>Percentage for 1983 versus 1978</u>
Sugar	10,000 tons	20	227	377	18.9	166.1
Bicycles	10,000	1.4	854.0	2,758.2	1,970.1	323.0
TV sets	10,000		51.73	684.01		1,322.3
Raw coal	100 million tons	0.32	6.18	7.15	22.3	115.7
Crude oil	10,000 tons	12	10,405	10,607	884	101.9
Power gen- erating capacity	100 million kilowatt- hours	43	2,566	3,514	81.7	136.9
Steel	10,000 tons	15.8	3,178	4,002	253	125.9
Cement	10,000 tons	66	6,524	10,825	163	165.9
IV. Total labor productivity of industrial enterprises	Yuan	3,016	11,130	13,049	4.3	117.2

Note: The first item refers to the enterprises with whole people and collective ownership and independent accounting. The fourth item represents units with people ownership. The absolute volume in the second item is calculated on the basis of the price for that year, and the rate is calculated on the basis of comparable prices. (The same below)

	Unit	Absolute volume of average annual growth		Average annual growth (percentage)	
		26 years-- from 1953 to 1978	5 years-- from 1979 to 1983	26 years-- from 1953 to 1978	5 years-- from 1979 to 1983
Gross industrial output value	100 million yuan	143	404	11.3	7.9
Light industry	100 million yuan	59	240	9.1	11.2
Heavy industry	100 million yuan	84	164	13.6	5.1
Cloth	100 million meters	2.8	7.7	4.2	6.2
Bicycles	10,000	32.5	380.8	19.7	26.4
Coal	10,000 tons	2,123	1,940	9.0	3.0
Crude oil	10,000 tons	399	40	23.4	0.4
Power gen- erating capacity	100 million kilowatt- hours	96	190	14.7	6.5
Steel	10,000 tons	117	165	12.9	4.7

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## IT IS NECESSARY TO STUDY THEORIES IN CARRYING OUT REFORMS

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 43-45

[Article by Ma Junqi [7456 0193 0796]; passages within slantlines published in italics]

[Text] The key to opening up a whole new situation in socialist modernization lies in carrying out reforms properly. Carrying out reforms requires courageous exploration and practice, and at the same time requires the study of Marxist theory, bringing into play its guiding role. Some comrades feel that studying theory is "a slow remedy which cannot meet urgent requirements," and therefore abandon theory, or use practice as a substitute for study. Practice proves that this is political and ideological "myopia" which is greatly disadvantageous to creating a new situation in our work, and even more disadvantageous to carrying out reforms.

/First, to correctly carry out the party's line, principles, and practices, and to follow the steps of reform set out by the party leadership, we must study theory./

Since the 3d Plenary Session of the 11th CPC Central Committee, China's socialist cause has advanced in leaps and bounds, and an unprecedentedly fine situation has appeared. This is the result of the whole party resolutely carrying out the line, principles, and policies of the party since the third plenary session and throwing themselves into the reform. One thing worth considering is that the same line, principles, and practices under different leadership would play a very different role. To take the implementation of the party's economic policies in the countryside as an example, some regions have stepped out in front, while others have lagged behind. It should be recognized that subjectively speaking, our comrades generally think in line with the Central Committee. The problem is that unanimity with the Central Committee is not decided purely by objective desires; even more importantly, it is dictated by knowledge of Marxism and perceptive ability. The party's line, principles, and policies since the third plenary session have all been drawn up in strict accordance with Marxism-Leninism-Mao Zedong Thought, and are all organic combinations of theory and reality. For example, seeking truth from facts is an ideological line based on the Marxist theory of knowledge; the policy of reform is based on the Marxist principles concerning the relations between the forces of

production and the relations of production, and the economic base and the superstructure. Due to the fact that there is a difference in the theoretical level of our cadres, there is naturally a difference in the depth of their understanding of the party's line, principles, and policies. In this way, in the process of carrying out the policies, there is bound to be a difference between consciousness and lack of consciousness, between competence and lack of it. During the agricultural reform over the past few years, the party Central Committee put forward the policy of allowing a number of peasants to get rich first. From a theoretical point of view, this policy not only deeply manifested the socialist principle of "to each according to his work," it also implied the specific use of the rule of the unity of opposites and the law of the unbalanced development of things. Those comrades with a relatively high theoretical level, based on their own theoretical training and political agility, quickly came to understand this pioneering policy which broke through egalitarianism and led the millions of peasants to genuinely walk the road to common prosperity, and therefore, maintained a resolute and conscious attitude in carrying out reforms, with positive actions full of initiative. On the other hand, those comrades whose theoretical level was somewhat lower, could not at first see the Marxist basis of this policy, nor the relationship between this and other party policies, nor the massive changes which would be wrought by the implementation of this policy; instead they were worried about whether it would lead to "division into two classes," whether it would create exploitation, and some were even cynical as to the correctness of the reform's direction, considering that this was not a Marxist policy. Therefore, they either sat back and waited, or acted negatively, or carried out the policies blindly. In this way, the regions they led were bound to lag behind in the agricultural reforms and development. This single example is enough to prove that the theoretical standard of cadres directly affects the implementation of the party's line, principles, and policies, and the progress of the reform.

/Second, to make the reform accord with the objective laws of things, and to progress in a correct direction, we must also study theory./

Lenin said: "Without revolutionary theory, there can be no revolutionary movement." ("Selected Works of Lenin," Vol 1, p 241) The guiding significance of theory over practice stressed here is also applicable to today's reforms. Without correct theoretical guidance, a reform becomes a blind reform, and a blind reform is often destructive. Since the late 1950's, under the influence of "left" guiding ideology, we have made some mistakes in our economic work. Certain of these mistakes, at the outset, were intended to produce reforms, and to hasten the pace of socialist construction. But due to the fact that they went against Marxist theory, and failed to utilize correctly the law that the relations of production must definitely be suited to the forces of production, they resulted in a one-sided pursuit of "size and public ownership," egalitarianism, and so on. Marx said: "Even if a society explores the natural laws which it utilizes... it can neither transcend, nor use laws or decrees to eliminate, the developmental stages of these natural laws." ("Selected Works of Marx and Engels," Vol 2, p 207) Objective laws cannot be changed by human will, and

if they are violated, we will be punished. When we conduct the reforms today, we must draw from the lessons of the past, strictly adhere to objective laws, and be both courageous and good at reforms. Obviously, if we are to do this, we cannot do so without studying theory. If we are to carry out reforms in the superstructure, we must study Marxist theory on the interaction between the superstructure and the economic base. When we carry out economic reforms, we must study political and economic theories, and management science, and must in particular achieve a profound understanding of the basic Marxist principles concerning the fact that the relations of production must accord with the forces of production. If not, even with good intentions, we will still be unable to carry out the reforms properly. For example, one important problem which must be solved in our implementation of the reforms is the division between state and enterprise, helping enterprises to develop production management according to economic laws. At present, the responsible cadres of some party and state organs in certain areas are recommended or invited to take on the concurrent post of enterprise manager or director; the basic motive behind this is to further enliven the economy, but it does not in fact help the division between state and enterprise, and this "combination of the official and the commercial" is not the direction of reform we should be supporting. Therefore, in order to adapt better to the new situation of reform, we very much need to strengthen our study. Only if we carry out our studies properly, and raise our theoretical level and our standard of knowledge, will we be able to sum up experiences, guide the reforms, and push these reforms along the correct path of finding a socialist road with Chinese characteristics.

/Finally, we must also study theory in order to find the courage to break through the old and create the new, and the spirit to carry out pioneering work./

Reform consists of a serious and intense struggle; it affects a wide area, and touches on the personal interests of a large number of people. For this reason, it is bound to give rise to all sorts of complex situations and problems, and come up against all sorts of obstacles. If we are to become good at analyzing the situation, solving problems, and overcoming resistance, our most important issue is to study theory properly. Only when "justice is on our side" can we be "bold and assured." If we study theory properly, not only can we solve our own ideological problems, but we will have sufficient mental preparation to face obstacles from the outside world, and deal with them accordingly. Take for instance the problems of worshipping "left" ideology, serious bureaucratism, doing things according to the old rules, insisting on keeping the status quo, not attempting to progress, unwillingness to accept new things, and other petty bourgeois habits; we can clearly grasp their origins and characteristics, and thereby take the initiative to conduct work in persuasion and education, struggling with them reasonably and with the proper theoretical basis. Some comrades are used to the old methods, and unfamiliar with the new methods of the reform, so they easily become forces of resistance. They put pressure on people by labeling them, and some even forcibly put a stop to the reform. If we are not clear on the theory behind these reforms, we will have great difficulty in resisting this

pressure and upholding the reforms. This, then, presents all those who walk at the forefront of the reform with the task of studying theory diligently and raising their Marxist levels, and at the same time presents all cadres, especially those who "do not understand" or "are not familiar with" the reform, with the task of studying theory, raising their consciousness, and catching up with the era.

To reform, we must have the spirit of daring to break through the old and create the new. Pioneering means treading roads previously untrodden, and doing what people have never done before. We CPC members are the people most richly endowed with the spirit of creating the new. We have destroyed an old world, and are building a new one. Whence comes this pioneering spirit of destroying the old and creating the new? It comes from an understanding of the laws of development. In the opinion of Marxism, the supersession of the old by the new is a general, eternal, and inviolable law of the universe. Therefore, destroying the old and creating the new, substituting new things which accord with objective laws for old things which are already out of date, is the bounden duty of Communist Party members. It goes without saying that the Communist Party is the revolutionary party. In the beginning, Marx and Engels numbered only two people, but had the courage to stand up and challenge the whole of the old world, and the bourgeoisie, who were in possession of the national machinery. Such courage and innovative spirit would have been unthinkable without a solid theoretical base. Comrade Mao Zedong was the greatest pioneer, with the most innovative spirit, in the history of our party, but at the same time he was a great Marxist theoretician. In the same way, the courage and daring which we display in carrying out the reforms must be founded on a solid basis of dialectical materialist theory. Only in this way can we be good at linking up the line, principles, and policies of the CPC Central Committee with the realities of our own areas, departments and units, and give full play to our own initiative and independence; only then can we be good at looking at the development of the situation and on that basis constantly analyzing new conditions, putting forward new points of view, and solving new problems. Why is it that some comrades are so lacking in courage that they don't even do the things they are supposed to? Mainly because they do not understand, and are afraid to take responsibility. Ultimately, it is because their own theoretical and political level is not high enough that these comrades are bound hand and foot by the old rules and regulations. Marxist theory makes us stand tall and see far; it is both our telescope and our microscope. That is to say, it enables us to uphold the correct orientation, and to do our detailed work in a correct and effective fashion. Today, as we make efforts to carry out the reforms, we must be clear on the future, full of confidence, and full of the courage to create the new; and in none of this is it possible to overlook theoretical study.

CSO: 4004/88

WHY IS IT NECESSARY TO CURRENTLY STRESS ACHIEVING A SIMULTANEOUS INCREASE OF INDUSTRIAL OUTPUT VALUE, REALIZED PROFITS, AND TAXES AND PROFITS DELIVERED TO THE STATE?

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 45-46

[Article by Huang Fuyin [7806 1318 1438]]

[Text] In his "Government Work Report" to the Second Session of the Sixth NPC, Premier Zhao Ziyang pointed out: "All sectors must continue to carry out rectification; work hard to raise quality, cut costs, increase output, and practice the economic plan; and make marked achievements in turning losses into profits, thus achieving a simultaneous increase in industrial output value, realized profits, and taxes and profits delivered to the state." This demand has great immediacy and motivating force in our present economic work.

In order to achieve the strategic goal for the end of this century, we must carry out key construction properly, and smooth out economic relationships. Meanwhile, the most acute contradiction in present economic growth is a lack of state funds and of financial income. One important reason for this situation is that in industrial production the increase in realized profits is slower than the increase in production, while the increase in taxes and profits delivered to the state is, in turn, slower than the increase in realized profits. The demand that all three increase at the same pace is aimed at this situation. Why have we not managed it yet? There are many reasons, but in general there are three main ones: First, some regions and departments have failed to grasp efficiency and speed at the same time, so that in the struggle goals they draw up, they consciously or subconsciously stress only the expansion of the scale of production, ignoring the raising of economic results, or they even one-sidedly pursue output value and speed, creating a new problem of overaccumulation of goods. This "exaggerated" speed, meanwhile, adds to the state's difficulties regarding lack of funds. Second, in the process of raising economic results, many enterprises have failed to pay enough attention to raising quality. They do not seek to improve quality and variety, cut down on costs and consumption, or increase competitiveness and adaptability, but instead increase investments, start new projects, and even "make the same old mistakes," blindly carrying out duplicate construction such that investment increases, but production drops, and funds are unable to produce maximum results. Third, the leading

cadres of some economic departments "pay no attention to finances when managing the household," and even spend money in vast quantity, failing to treat the state's limited funds as something precious. Therefore, when we stress that the three things must increase simultaneously, we not only do so in order to raise the financial income, to facilitate the hastened construction of key projects, to smooth further economic relationships, and to achieve a fundamental turn for the better in the state's financial and economic situation, we are doing so to also help encourage areas and departments to carry out better management of goals, to pay attention to both efficiency and speed and to avoid and overcome the one-sided pursuit of output value and speed, as well as to help encourage enterprises to raise quality and pay attention to making less investment, more output, and working hard to raise quality, increase varieties, cut costs, and change old products into new. We also do so to help supervise and encourage leading cadres at all levels to be diligent in rectifying their enterprises, improving their economic management, and paying attention to finances and using them properly.

During the first half of this year, due to the fact that we diligently tried to carry out the State Council's demand that all three things increase simultaneously, the output value of state-run industrial enterprises within the budget increased 10.4 percent over last year, realized profits increased 15.6 percent, and taxes and profits delivered to the state rose 9.5 percent, achieving gratifying results. Many areas of the country and many advanced units which have made achievements in raising economic results, have already managed to make the increase of taxes and profits to the state higher than the increase in production. This proves that the simultaneous increase of all three things is possible, and plays a positive role, so it should be pursued.

Of course, specific analysis must be made of different regions, departments, and sectors. In some, objective conditions (such as price factors) exert a greater influence, meaning that for the time being they are unable to achieve the simultaneous increase of all three things. Some are affected both by objective factors and inherent factors, such as failing to tap all their own potential, and so on. In a tiny minority of units, the commodities produced are not suitable for the market, economic management is relatively backward, and the guiding ideology has not yet turned fully onto the path of taking enhancement of economic results as the core. Through an examination of whether all three things are increasing at the same time, we can discover the problems existing in the economic management of different units, and thereby adopt measures to suit each situation and further the reforms.

CSO: 4004/88

## WILL CONSUMPTION FUNDS BE OUT OF CONTROL IF THERE IS NO CEILING FOR BONUSES?

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 46-47

[Article by Lian Cen [4886 1478]]

[Text] The State Council recently published a bulletin regarding the elimination of "ceilings" for bonuses given out by enterprises. Some comrades are worried that without a "ceiling" on bonuses, there may result a loss of control over consumption funds and therefore a cut in the state's financial income, leading in turn to inflation. In reality, this concern is unnecessary.

Consumption funds represent that portion of the national income that is used for the consumption of society and the individual, and consists of two parts: First, consumption funds used on social consumption such as state administration, culture, education, sanitation, and social security; second, individual consumption funds used on wages, bonuses, and so on. The national income created by the labor of staff and workers cannot all be used on consumption; another part must be used for socialist construction as part of accumulation funds. In a socialist state, accumulation funds and social consumption funds have their source mainly in taxes and profits delivered by enterprises to the state. A loss of control over consumption funds refers mainly to the individual consumption funds and is manifested primarily in inappropriate distribution of the net output value created by enterprise staff and worker labor. For example, if an enterprise gives out too many bonuses, it not only directly raises the purchasing power of the citizens, creating pressure on the commodity market, but at the same time reduces the amount of profits delivered to the state, affecting the national financial income. In order to ensure capital construction and consolidate the national defense, to develop the cause of socialist science, culture, and education, and so on, it is impossible to cut down on certain financial expenditure and may even be necessary to increase it. This may lead to a situation in which some financial expenditure has no source of income. If production fails to develop at the necessary rate, there is no guarantee for the supply of social commodities, and when this new bonus money enters the market it is bound to create tension between supply and demand, leading to inflation. Therefore, based on the needs of the national macroeconomy, the state must control the amount of bonuses given out by enterprises. Removing the "ceiling" on bonuses by

no means implies that enterprises may give out as many as they like, but merely that the method of controlling the amount of bonuses becomes more scientific and rational.

The method of controlling bonuses in distribution includes three aspects:

First, the removal of the "ceiling" on bonuses has as its precondition the substitution of taxes for delivery of profits. The substitution of taxes for the delivery of profits means gradually turning the profits handed over to the state by the enterprise into taxes, deciding by law the amount of taxes to be handed over to the state by each enterprise, and thereby stopping enterprises from being able to add to their bonuses by damaging the overall interests of the state, and guaranteeing the state's financial income.

Second, the profits retained by enterprises are not all used for bonuses to be given to staff and workers. They also include production development funds, prototype funds, and backup funds. These funds are all used on production expenditure and do not form part of the consumption funds. Based on the principle that the majority is to be used for production and the minority on collective welfare funds and bonuses for staff and workers, and according to the ratio of the various funds which have already been calculated, the enterprises draw bonus funds from the profits retained. Bonuses given out by enterprises can only be drawn from bonus funds. They must first be raised before they are given out and cannot be drawn from other funds.

Third, due to irrational prices and various objective production conditions, some enterprises find it easy to make big profits, and therefore have too many bonus funds. In the case of these "differential incomes," apart from balancing them through commodity tax, resources tax, and adjustment tax, the state can also exact a progressive bonus tax. If, in comparison to the standard wage, the bonuses given out by an enterprise exceed the limit set by the state, a progressive tax will be exacted according to the amount by which this set figure is exceeded.

In addition, the linking of an enterprise's bonus funds with the economic targets set for it also controls its bonus funds in a certain way. In his "Government Work Report" to the Second Session of the Sixth NPC, Premier Zhao Ziyang pointed out: "In bonuses for staff and workers, the practice of 'no ceiling and no floor' means that if an enterprise fulfills and exceeds the state plan, its taxes will be higher than the previous year, and it can therefore increase funds. If the enterprise fails to fulfill the state plan, its taxes and profits will decrease, and it will have to reduce or stop all bonus payments, even to the extent of having to cut wages." At present, certain enterprises are adopting the method of a bonus profit rate. That is, they are rationally calculating the ratio between bonus funds and profits, floating the bonuses up and down with the economic performance of the enterprise and the amount of profits it makes. The "wage per 100 yuan" introduced by construction enterprises links wages with the total output value, while the "bonus per ton" introduced by coal

mines similarly consists of linking bonuses with output value. In this way, even if the bonus funds of an enterprise are increased, the wealth created for society by that enterprise increases commensurately. This way of increasing bonuses will not cause a loss of control over consumption funds or a cut in national financial income, but instead increases the state's financial income. It will not attack the market, but will benefit its prosperity and stability. This method enlivens bonuses, turning them into an economic lever encouraging enterprises to improve their economic management. If an enterprise wishes to increase its payment of bonuses, it can only do so by raising the quality of its management, tapping its inherent potential, practicing the economic plan, and increasing profits.

CSO: 4004/88

WHY IS IT NECESSARY TO REDUCE IN A PLANNED WAY THE KINDS AND QUANTITIES OF AGRICULTURAL AND SIDELINE PRODUCTS WHICH ARE PURCHASED BY THE STATE IN A MONOPOLIZED OR COMPULSORY MANNER?

Beijing RED FLAG in Chinese No 16, 16 Aug 84 pp 47-48

[Article by Cai Xiaopeng [5591 2556 7720]]

[Text] After a period of economic recovery lasting over 30 years since liberation, China has begun large-scale industrial construction, the people's purchasing power has increased, and the supply of agricultural and sideline products is rising markedly every day. In order to stabilize the market, ensure supplies, and smoothly carry out the socialist transformation of the private ownership of the means of production and socialist construction, in 1953 the state began to purchase in a compulsory or monopoly manner those agricultural and sideline goods which were of vital importance to the state and the people, and to limit or ban free trade. This was entirely necessary. The main reason for carrying out compulsory or monopoly purchase was insufficient supply of the goods concerned. For a relatively long time, due to the influence of "left" thinking and policies, agriculture developed rather slowly and, added to the uncontrolled increase in population, there was no turn for the better in the tight situation of supply in agricultural and sideline products. The result was that the kinds and quantities of agricultural and sideline products purchased by the state in a monopoly or compulsory manner increased constantly, and the scope of free purchasing shrank continually.

In a situation in which there is a lack of agricultural and sideline products, the practice of compulsory or monopoly purchase by the state enables it to grasp most or all of the important agricultural and sideline products, which is of benefit to the rational and planned organization of national construction and the people's lives. However, this practice also has its shortcomings. First, such purchase has a certain coercive nature, which contradicts the wish for a free arrangement of production by the peasants. Second, though the state can motivate the peasants' enthusiasm for production and control production through price adjustments, in comparison to free purchasing and marketing, it is not sufficiently flexible, and thus it is difficult to carry out readjustments according to changes in production conditions and production expenses. Third, for a long time, those agricultural and sideline products purchased by the state in a

compulsory or monopoly manner have been basically managed solely by state commerce, so that now the channels are almost all vertical, not horizontal, which in turn affects the economic exchange between regions. Fourth, after raising purchase prices, the state, in order to stabilize the living standards of consumers, often fails to adjust sale prices, while the losses incurred by management units due to the fact that purchasing and marketing prices are pegged are made up for by state finances. The more products managed in this way, the more losses are incurred and the more subsidies the state has to pay, which affects the mobilization of the initiative of the managers. Due to these shortcomings, the role of monopoly purchase in promoting agricultural production is relatively limited, and under certain conditions actually suppresses the development of agricultural production. Following the 3d Plenary Session of the 11th CPC Central Committee, the contract responsibility system was gradually introduced throughout the countryside, motivating the peasants' enthusiasm for production and causing a speedy increase in agricultural and sideline products. Under these conditions, if we continue to maintain the monopoly and compulsory purchase of agricultural and sideline products by the state, we will, to a certain extent, obstruct the development of production. Over the last few years many areas have experienced "difficulty in selling" agricultural and sideline products. This is a reflection of the above contradiction.

In order to solve this contradiction, since 1980 the state has reduced in a planned way the kinds and quantities of agricultural and sideline products purchased in a monopolized or compulsory manner, and expanded the scope of free purchasing and marketing. At present the number of different agricultural and sideline products thus purchased has dropped from 46 in 1978 to 21 (of which 5 are purchased by the main producing areas). At the same time, the state-run commerce and supply and marketing cooperatives in some provinces and regions have developed negotiated purchasing and marketing, taking the initiative to be subject to regulation by the market. The result of this has been a further mobilization of the peasants' enthusiasm for production and the promotion of production development. State-run and supply and marketing cooperative commerce has grasped a large amount of goods sources, which has been of benefit to balancing prices, stabilizing the market, and satisfying the supply needs of the citizens. The burden on the state's finances has decreased, and management units have cut losses and increased profits. Facts have proven that this practice is of benefit to the state, to producers, to consumers, and to managers.

The problem at present is that the scope of the state compulsory and monopoly purchase of agricultural and sideline goods is still too large, and there is insufficient balance between the development of the various regions. In some regions, after the opening up of state-run and supply and marketing cooperative commerce, there was no active regulation by market mechanism, such that these areas remained in a passive position in the face of the ever more lively circulation of rural commodities, which was harmful to the strengthening of the planned economy under the new conditions. In response to this problem, in his "Government Work Report" at the Second Session of the Sixth NPC, Premier Zhao Ziyang pointed

out that "from now on there will be a planned reduction in the kinds and quantities of agricultural and sideline products which are purchased by the state in a monopolized or compulsory manner, and an expansion in the scope of free purchasing and marketing," and "state-run and supply and marketing cooperatives will take an active part in market competition and strengthen guidance and regulation of purchasing and marketing activities."

Of course, it should also be noted that China has a weak economic base and a large population, and certain agricultural and sideline products are still in short supply. Therefore, for a relatively long time to come, it will still be necessary to continue the practice of monopoly or compulsory state purchase of certain vital commodities which have a bearing on the national economy and the people's lives. At present we can only reduce the number, not eliminate the practice altogether. As to when and where we should adopt which measures, which products should be deregulated and to what extent, all of this will have to be arranged in the days to come on the basis of concrete conditions.

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## A POWERFUL GENERAL WILL HAVE POWERFUL SOLDIERS UNDER HIM

Beijing RED FLAG in Chinese No 16, 16 Aug 84 inside back cover

[Article by Chu Ruigeng [0328 3843 5087]]

[Text] Going deep into the realities of the urban and rural reform, you will often hear the heartfelt phrase: "A powerful general will have powerful soldiers under him," and sometimes the bitter complaint: "A single general cannot kill a thousand troops." It would seem, then, that the relationship between a general and his soldiers, or between a leader and those he leads, is highly important and worthy of note in the current reforms. Not long ago, when Comrade Deng Xiaoping was talking about the question of further opening up to the outside and hastening economic growth, he said "the key lies in who is the leader," stressing the important role of leaders.

Every single area that achieves fine results in the reform is bound to have a strong leader, and under him there are bound to be strong soldiers. Why should this be so? The following scene appears in the television play "The Offscreen Voice of the Female Journalist," and describes the question aptly: The journalist asks a 21-year-old female workshop director: "Why has your factory chief made you workshop director?" She replies: "Probably because whatever I do I want to be 'first'!" Can the sort of person who "wants to be 'first'" be a strong general? Can he or she produce strong soldiers? The reason this woman could "come out" was precisely because of the strong general, her factory head. They were both the sort of people who "want to be 'first'"; great minds think alike.

The main element in "a powerful general having powerful soldiers under him" is the general. If the general can liberate his mind, lead his soldiers, and take the lead in the reform, he can produce strong soldiers, use them properly, and bring them popularity. This is by no means to say that there is not a single weak soldier under a strong general, but that the strength of a general is manifested in the way he can reform the employment system, encouraging weak soldiers to become strong and leading a genuinely sturdy force. On the other hand, if a general is not strong, if he is short sighted, if he is conservative in his thinking, overcautious, or too wary about progress, then even if he has strong soldiers under him, they will be repressed and attacked, and unable to bring their strengths into

play. All you have to do is look carefully to discover that these two situations exist in real life.

The more weak and incapable a general is, the more his mentality will be marked by apathy and gloom. One reason given by people who obstruct reforms is "fear of making a mess of things." If we "make a mess of things" by reforming, we are bound to be "afraid," so the reform must be carried out on the basis of examination and research. What we are talking about here is that some people use the excuse of "fear of making a mess of things" to cover up their inner secret, which is that they are protecting their own selfish interests! Wu Dalang, the shopkeeper in a cartoon, came up with a "local policy" for employing staff: Anyone who is taller than me I won't employ. Thus he only let a lot of dwarfs work in his shop, which was farcical. The current policies of "untying people" and "devolving power" are meant to encourage strong soldiers to come into their own. But weak generals also have their own way of acting. Some fail to untie people or devolve power when they should, and thus intentionally restrict energy. Others let go of everything, taking no care at all, and sit back and laugh at the results. Both of these attitudes are wrong. As soon as some people hear the phrase "weak general," they assume it means "weak working capacity," but in my opinion this is not necessarily so. How can we explain all the above actions in the phrase "weak working capacity"? In essence, it is just as some people put it: "a bad spiritual attitude" and "a problem in party spirit."

In today's China, the heart of the party and people is aimed at reform, and the tide has already reached a high point. Soldiers and generals on all fronts must gain experience in the midst of this high tide. We have firm faith in the fact that the reform will certainly win success, and we place boundless hopes on the large number of strong generals and soldiers.

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A BOOK WHICH SYSTEMATICALLY INTRODUCES THE AGRICULTURAL PRODUCTION  
RESPONSIBILITY SYSTEMS IN OUR COUNTRY

Beijing RED FLAG in Chinese No 16, 16 Aug 84 outside back cover

[Article by He Tian [0149 1131]]

[Text] The book "Our Nation's Agricultural Production Responsibility Systems of the Early 1980's" published by the RED FLAG Publishing House, has already reached the readers. This book includes 35 investigative reports, which were selected by the economic editorial office of RED FLAG magazine from over 100 investigative reports on agricultural responsibility systems which had been arranged and recommended by RED FLAG liaison people in various provinces, municipalities, and autonomous regions.

The subject matter of this book is extensive, reflecting the agricultural responsibility systems in different areas, their different forms, and their different characteristics. The book brings together investigative reports on responsibility systems implemented in well-known prefectures and communes all over the country. These include Chuxian Prefecture in Anhui, Yanbei Prefecture in Shanxi, Jiading County in Shanghai, Shenqiu County in Henan, Buqiu village in Tianjin, Sijiqing commune in Beijing, Shahe commune in Beijing, Qinyong production cooperative in Zhejiang, Aiguo brigade in Shandong, and so on. These prefectures, communes, and brigades implemented production responsibility systems quite early and the successes they have achieved are quite outstanding. This book also quite fully reflects the diversity of forms of agricultural responsibility systems found at present in our country. Apart from various types of all-round contract systems, there are also the "contracting of specialized jobs, with payment linked to output," "unified management and linking rewards to production," and other different forms. As to the trades, apart from planting, responsibility systems have been implemented in forestry, animal husbandry, fishery, commune and brigade enterprises, and on state farms. Some investigative reports pay attention to introducing the overall situation, some lay emphasis on certain aspects, for example on how to do well in land contracting, how to handle contracting of specialized jobs, how to handle management and administration, how to settle accounts and carry out allocation, how to handle well the relationships between unifying and decentralizing, and so on. Some describe the various new forms of combination between specialized households and specialized groups, and between funds,

means of production and labor, which appeared after the villages implemented production responsibility systems. These include combinations between various households, combinations between different economic forms, production combinations, service combinations, and so on.

Some of these investigative reports were written by investigative research departments or specially organized investigative groups under party committees or governments, some by experts and scholars who have long done research in the agricultural economy, and some by young researchers in agricultural economy. All their investigative reports, on the basis of careful investigative research, have a definite depth in terms of analysis of the question. This book will assist readers in understanding the great reforms in the organization of labor, management, and administration, and in the distribution of income in our country's agricultural economy; in understanding the improved implementation of the Central Committee's relevant policies in regard to mutual assistance and exchanging experience between various areas; and in understanding the further improvement and enhancement of the agricultural system of contracted responsibility with payment linked to output, since the 3d Plenary Session of the 11th CPC Central Committee. It also has great reference value for researching our nation's theories on the rural cooperative economy, and in exploring its trends of future development.

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